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Letter dated 31 July 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 10 April 2002 (S/2002/399).

The Counter-Terrorism Committee has received the attached supplementary report from China, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for this letter and its attachment to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

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Annex

Letter dated 17 July 2002 from the Permanent Representative of China to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

I have the honour to enclose herewith the supplementary report of China, pursuant to paragraph 6 of resolution 1373 (2001) concerning counter-terrorism, as required by your letter of 12 April 2002 (see enclosure).

(*Signed*) **Wang** Yingfan
Ambassador
Permanent Representative of China to the United Nations

Enclosure

[Original: Chinese]

Supplementary report on implementation by China of Security Council resolution 1373 (2001)

Subparagraph 1 (a):

Please explain whether, under existing regulations, it is possible for a non-resident foreigner to hold funds in Chinese financial institutions (including those in the Hong Kong and Macao Special Administrative Regions). If so, is there any remedy under the amended criminal law to prevent the holding of such funds by supporters of terrorism?

China has always strictly implemented all Security Council resolutions on the freezing of assets intended for terrorism.

Under the existing foreign exchange regulations of the central Government, non-resident foreigners in the territory of the People's Republic of China may make deposits in financial institutions operating within the mainland territory of the People's Republic of China; this is a normal transaction for such institutions. In carrying out such transactions, however, financial institutions shall, pursuant to the relevant rules of the People's Bank of China, require depositors to present authentic and valid identification, while banks shall, in accordance with the provisions of the Circular on Large Ash Deposits and Withdrawals of Foreign Exchange by Resident and Non-Resident individuals, check the identification presented by non-resident individuals withdrawing large amounts of cash in foreign currency (amounts exceeding the equivalent of US$ 10,000) for authenticity and record them.

In accordance with provisions promulgated by the central Government, including the Regulations on the Control of Bank Deposits, the Measures for the Management of Bank Accounts, the Provisions on the Administration of Internal Foreign Exchange Accounts and the Provisions on the System of Real Name Savings Accounts, non-residents foreigners may hold funds in financial institutions located in mainland China. For the purposes of a criminal investigation, the procuratorates and the public security organs may, in accordance with the relevant provisions of the Criminal Procedure Law of the People's Republic of China, carry out investigations with respect to the deposits and remittances held by criminal suspects and arrange for their freezing, in order to prevent or stop supporters of terrorism from holding such funds.

Non-resident foreigners may hold funds in financial institutions in Hong Kong. However, the financial supervision and regulatory bodies in Hong Kong require that financial institutions verify the identity of their customers before establishing bank accounts for them. In addition, the supervision and regulation bodies regularly provide financial institutions with lists of terrorists compiled pursuant to the relevant Security Council resolutions or compiled by other financial and public institutions, and request that they check for possible suspicious transactions. Legal entities or individuals having knowledge of or suspicions concerning any assets that are derived from chargeable offences or may be used in or for such offences, must report to the law-enforcement agencies. Such offences need not have been committed in Hong Kong.

The Legislative Council of the Hong Kong Special Administrative Region has adopted the draft United Nations (Anti-Terrorism Measures) Ordinance, which, inter alia, prohibits the provision of funds or financial services to terrorists or terrorist associates.

Non-resident foreigners may hold funds in financial institutions in Macao. The Government of the Macao Special Administrative Region is currently studying ways and means of ensuring that funds are not obtained or utilized, either directly or indirectly, by international terrorists or supporters of international terrorism.

Subparagraph 1 (b):

The report states that articles 107 and 112 of the Criminal Law stipulate that the financing of criminal activities injurious to the security of the State is a criminal offence. The financing from China of terrorist acts committed abroad which injure the security of another State may not be covered by these provisions. Could China please explain whether article 120 of the Criminal Law covers this situation? Do these provisions also prohibit the collection of funds for terrorist purposes? Are there any other relevant provisions covering these requirements?

Amendment III to the Criminal Law of the People's Republic of China added a new paragraph under article 120 which provides that any individual financing terrorist organizations or committing terrorist acts shall be liable to punishment.

Please provide the Committee with a report on the progress and content of the pending legislation reclassifying the financing of terrorism and related activities as criminal offences in the Hong Kong Special Administrative Region. Please also outline the proposed new legislation of the Macao Special Administrative Region authorities to classify financial assistance to terrorist activities as a serious crime.

The United Nations (Anti-Terrorism Measures) Ordinance drafted by the Government of the Hong Kong Special Administrative Region contains provisions relating to the following matters: (i) definition of the terms "terrorists", "terrorist associates", "terrorist assets property" and "terrorist acts"; (ii) determination of who may be classified as a terrorist or terrorist associate and what may be deemed terrorist property; (iii) the freezing of assets that may be used for or diverted to terrorist acts; (iv) establishment of rules for the freezing of other property of terrorists or terrorist associates; (v) prohibition of the provision of funding, financial services and weaponry to terrorists or terrorist associates; (vi) prohibition of the recruitment for, or participation in, terrorist organizations; (vii) mandatory notification of information or suspicion relating to terrorist funds; (viii) punishment of such crimes with monetary fines and imprisonment of up to 14 years.

The Government of the Macao Special Administrative Region is currently studying the question of criminalizing international terrorist acts. At the same time, it is also considering classifying the financing of terrorism as a new, separate category of criminal offence distinct from the criminal charges that already exist in respect of terrorism and terrorist organizations. To explore this question, comparative legal studies will be conducted, with emphasis placed on the relevant provisions of the International Convention for the Suppression of the Financing of Terrorism.

Subparagraph 1 (c):

Do the relevant legal provisions in China (including the Hong Kong and Macao Special Administrative Regions) on the freezing of assets include the freezing of funds or other financial assets and economic resources?

Legislation currently exists in mainland China on the freezing of assets, including the freezing of funds or other financial assets and economic resources. Under article 117 of the Criminal Procedure Law of the People's Republic of China, the procuratorates and the public security organs may, as required by regulations, inquire into and freeze moneys and other illicit proceeds derived from such offences as money-laundering and terrorist crimes. Under article 158 of that Law, the courts, in their investigations to verify evidence, may order inquests, examinations, seizures, expert evaluations as well as inquiries and freezes. Courts have competence to decide, in accordance with the specifics of case, whether to recover, seize or freeze gains and proceeds unlawfully obtained by the accused. The Criminal Law also provides, in article 220, that the courts may confiscate any moneys or proceeds derived from such crimes as money-laundering and terrorism. Relevant provisions can be found in other laws as well, such as the Tax Collection and Administration Law, the Securities Law, the Administrative Supervision Law and the Commercial Bank Law.

Resolutions of the United Nations Security Council on the freezing of assets and funds automatically become part of the local laws of Macao from the date of their publication. Where sufficient and detailed information on their automatic implementation is to be found in the text of those resolutions, asset-freezing orders enter into force automatically; when such information is not to be found, it is also legally possible to take measures to seize the assets in question. Providing or channelling banned funds or assets is defined as a serious crime in Law No. 4/2002, on compliance with certain international legal instruments, promulgated by the Government of the Macao Special Administrative Region on 15 April 2002. By banned funds, the Law means all financial assets targeted by the Security Council sanctions. The Law also provides for the criminal responsibility of the legal persons concerned and sets out the corresponding penalties. Under the Code of Criminal Procedure, judges may order the seizure of any funds or financial assets deposited with financial institutions in the Macao Special Administrative Region that are either linked to crimes or critical to evidence-gathering.

Please provide a report on the progress of the legislation allowing the freezing of all terrorist assets proposed by the Government of the Hong Kong Special Administrative Region.

Both the Organized and Serious Crimes Ordinance and the Drug Trafficking (Recovery of Proceeds) Ordinance of the Hong Kong Special Administrative Region stipulate that if a person is alleged to have committed a designated crime and the authorities have reason to believe that that person has received proceeds from the property derived or obtained from the crime, the authorities may freeze the property in question, including funds, other financial assets and economic resources. Designated crimes include money-laundering and several other crimes relating to terrorist activities. When the court is convinced that the person has received proceeds from such crimes, it may confiscate the relevant property once the accused is convicted.

The United Nations (Anti-Terrorism Measures) Ordinance of the Hong Kong Special Administrative Region provides that the authorities may freeze funds that have been used for, or are intended to be diverted to, the financing of terrorist acts, and that rules and regulations may be developed with a view to freezing other property held by terrorists or terrorist associates.

The Hong Kong Special Administrative Region strictly implements the resolutions of the Security Council on assessment of assets. The United Nations Sanctions (Afghanistan) Regulation prohibits anyone from providing the Taliban or entities that are Taliban-owned or -controlled with funds or other financial resources. The Regulation is to be revised in mid-July 2002, and the scope of the sanctions will be extended to include persons and entities referred to in Security Council resolution 1390 (2002).

Is it possible under existing legal provisions or proposed amendments of existing legislation to freeze, at the request of another country, funds that are linked to terrorist acts and are held in accounts of Chinese financial institutions (including those in the Hong Kong and Macao Special Administrative Regions)?

Please explain whether any of the laws of China (excluding laws applying only in the Hong Kong and Macao Special Administrative Regions) allows the freezing of assets of persons suspected of terrorism in order to enforce orders of courts of another country.

Under China's existing legislation, if the requesting country has concluded an agreement on mutual legal assistance in criminal matters with China or is party to the United Nations International Convention for the Suppression of the Financing of Terrorism, its requests for the freezing of funds held in accounts with Chinese financial institutions and linked to terrorist acts may be carried out in accordance with the provisions of such treaties and agreements.

Under the Mutual Legal Assistance in Criminal Matters Ordinance, Hong Kong may freeze and confiscate funds held by financial institutions based in Hong Kong in order to enforce orders issued in overseas jurisdictions in the following cases: the two sides have concluded a bilateral agreement or undertaken to provide assistance on the basis of the principle of mutual benefit and the relevant order is aimed at recovering proceeds associated with a crime for which the perpetrator, upon conviction, would be liable to a penalty of no less than two years' imprisonment, or at recovering the properties used for, or diverted to, committing such a crime.

Under the existing legislation of the Macao Special Administrative Region, in the absence of any international agreements or conventions on the matter or any specific laws, funds that are linked to terrorist activities may not be frozen when a country so requests.

Subparagraph 1 (d):

Please outline the laws which give effect to this subparagraph.

Are financial institutions and other intermediaries (such as lawyers and notaries) or any other persons or entities required to report suspicious transactions to the public authorities, and if so, what are the penalties attached if such persons omit to report either wilfully or by negligence?

With regard to abnormal and suspicious transactions, China has not yet published any specific standards for identification, nor has it issued any specific requirements for financial institutions and their staff to report suspicious transactions. However, both the Interim Regulations on Cash Management and the Provisions on the Registration and Recording of Large Cash Payments set out clear provisions and requirements in this respect. China is in the process of developing Measures for the Control of Payment Transactions Reporting, which will determine the standards, reporting extent, regulation and supervision of abnormal payment transactions, and require policy-making banks, commercial banks, urban and rural cooperative credit unions, and banks with foreign capital to report suspicious transactions to the People's Bank of China.

China has been encouraging people to report and expose any illegal act. Article 13 of the Tax Collection and Administration Law stipulates that all entities and individuals have the right to report any act that is in breach of applicable tax laws and administrative regulations. The bodies receiving such reports and investigative bodies should keep the informant's identity secret. The tax authorities are to reward informants in accordance with the relevant provisions. Article 8 of the Foreign Exchange Control Regulations provides that all entities and individuals have the right to report and expose any acts and activities that are in breach of foreign exchange controls. The foreign exchange authorities are to reward those who have reported, exposed or contributed to the investigations of suspicious foreign exchange cases and keep their identity secret.

The relevant provisions of the United Nations Sanctions (Afghanistan) Regulations and the United Nations (Anti-Terrorism Measures) Ordinance of the Hong Kong Special Administrative Region have already been mentioned above.

According to the Organized and Serious Crimes Ordinance and the Drug Trafficking (Recovery of Proceeds) Ordinance, any person, including financial institutions, lawyers and other entities, who has knowledge of or suspicion of any transaction-related property that may be used for, or diverted to, the perpetration of a chargeable offence, is obliged to report such a case. Chargeable offences include offences classified as terrorist activities. Any person who breaches this obligation may be punished with three months' imprisonment. The Government is considering extending the period of imprisonment to 12 months. The United Nations (Anti-Terrorism Measures) Ordinance stipulates that all persons must report crimes involving the provision of financing to terrorists, and anyone violating this obligation may be liable to a maximum penalty of HK$ 50,000 and three months' imprisonment.

In the Macao Special Administrative Region, Act No. 24/98/M of 1 June 1998 establishes a regime for reporting suspicious transactions. The Act sets out preventive measures to prevent money-laundering activities, requiring economic participants to inform the Macao Judicial Police of suspicious activities involving

the conversion, diversion or concealment of illegal property or income. Entities having the obligation to make such reports include: (a) all entities under the supervision of the Macao Monetary Authority; (ii) entities under the supervision of the Macao Gambling Inspection and Coordination Bureau; (iii) pawnbrokers; (iv) entities dealing in antiques or works of art, or engaged in the metal or jewellery industries; (v) real estate brokers or entities engaged in the purchasing of immovable property or movable property requiring registration with a view to resale. The authorities concerned will supervise these entities to check whether or not they have fulfilled their reporting obligation. The supervisory authorities concerned should inform the Macao Judicial Police of any cases they suspect of involving money-laundering, even if the indications of such activity are slight. Those who fail to meet their reporting obligation shall be considered to be in violation of administrative laws and are liable to fines of 10,000-500,000 Macao dollars for individuals and 100,000-5 million Macao dollars for legal persons

Although Act No. 24/98/M defines a series of acts that may be used for money-laundering purposes, the Government of the Macao Special Administrative Region is still carefully considering whether the obligation to report the suspected diversion, conversion and concealment of illegal property should be extended to other professionals, such as accountants, auditors, notaries and lawyers. Those who suspect that funds are being used for or are linked to terrorist acts, are being used in order to undertake terrorist activities or being used by terrorist organizations also have an obligation to report.

The Macao Special Administrative Region already has legislation stipulating that Security Council sanctions resolutions must be adhered to. The Government is prepared to criminalize international terrorism and is considering the adoption of legislation that will make it possible to freeze temporarily, and without a court order, funds that are suspected of belonging to terrorists or individuals and entities related to terrorists. Judicial appeal is allowed in such cases. The legal regime governing financial operations management in the Macao Special Administrative Region will also be strengthened pursuant to the eight recommendations on the issue of financing terrorists adopted by the Financial Action Task Force (FATF) of the Organisation for Economic Cooperation and Development (OECD).

Are there any regulations in China (including the Hong Kong and Macao Special Administrative Regions) governing alternative money transfer agencies? Please outline them.

Money transfer agencies operating legally in China are subject to a strict regime of market access and are licensed and placed under the strict supervision of the People's Bank of China. The "underground money dealers" found in some parts of mainland China are illegal entities, and such "alternative money transfer agencies" are not permitted under China's current laws. The Criminal Law of the People's Republic of China and foreign exchange regulations provide the legal basis for combating such illegal entities.

In 1998, the State Council of the People's Republic of China issued Provision for the Suppression of Illegal Financial Institutions and Illegal Financial Business Activities, which clearly provided for the suppression of illegal financial institutions and the punishment of their illegal financial business activities.

Under the Organized and Serious Crimes Ordinance promulgated by the Government of the Hong Kong Special Administrative Region, alternative money transfer agencies are registered as remittance agents or currency exchangers. For transactions with a total value of more than HK$ 20,000, such agencies are obliged to record their details and verify their clients' identity. Failure to do so constitutes violation of the law. Such agencies are required to keep the relevant records for a minimum of six years.

In the Macao Special Administrative Region, all financial institutions are governed by law, and their supervision is the responsibility of the Macao administration. The legal regime for the financial system focuses on preventive measures, including provisions regarding applications to engage in the relevant operations, the qualifications of major shareholders and managers, the risk associated with new ventures and the merging of financial groups. The regulatory regime has been formulated in conformity with international standards and, in particular, the recommendations of the Basel Committee on Banking Supervision.

What preventive controls and surveillance measures are in place to ensure that funds intended for the financing of terrorism are not transferred through charitable, religious or cultural organizations in China (including the Hong Kong and Macao Special Administrative Regions)?

Most charitable, religious and cultural organizations in mainland China are non-profit entities and are governed by law. As the supervisory authority for the banking industry, the People's Bank of China has the statutory power to inspect the bank deposits, settlements and account management, for example, of such organizations and to impose administrative sanctions on them for illegal conduct. When cases of criminal activity are discovered, they can be reported to the judicial organs such as the public security bureaus.

Article 191 of the Criminal Law of the People's Republic of China states that anyone who commits any of the following acts to disguise or conceal the source and nature of profits known to be derived from crimes of terrorist criminal activities and the proceeds arising therefrom, shall be sentenced to up to five years' imprisonment or criminal detention; such sentence shall be accompanied or replaced by a fine in the amount of 5 to 20 per cent of the money laundered, and the illicit profits and the proceeds derived therefrom as a result of the crimes mentioned above shall be confiscated; in serious cases, the sentence shall range from 5 to 10 years' imprisonment and be accompanied by a fine in the amount of 5 to 20 per cent of the money laundered: (i) providing funds accounts; (ii) assisting in the conversion of the property into cash or financial instruments; (iii) assisting in the relocation of the funds through transfers or other means of accounts settlement; (iv) assisting in the remittance of funds abroad; or (v) using other means to disguise or conceal the source and nature of illegal gains obtained through crimes and the proceeds deriving therefrom. Entities committing one of the aforementioned crimes shall be liable to a fine and their executive officers and other staff directly responsible for the crime shall be sentenced to a maximum of five years' imprisonment or criminal detention. In serious cases, the term of imprisonment shall be between 5 and 10 years. The term entities include charitable, religious and cultural organizations.

The Societies Ordinance of the Hong Kong Special Administrative Region stipulates that societies shall be subject to annual review, and that their funds and legal proceeds deriving from activities carried out within the framework of their statutes in accordance with the relevant national provisions are to be used for the operational activities described in their statutes. No distribution of such funds or proceeds among their members is allowed. Societies shall receive donations and funding in conformity with the purposes and areas of operation set out in their statutes. Such donations and funds shall be used in accordance with the time period, manner and legitimate purposes agreed to by their donors and providers. Societies shall report the acceptance and use of donations and funding to the competent authorities in their areas of operation. They shall act in accordance with national financial control regulations and remain under the supervision of the finance authorities; assets attributable to State appropriations or public donations and funding shall be controlled through audit. By 31 March of each year, societies shall submit their annual report on the work of the preceding year to the competent authorities in their areas of operation and, subject to the preliminary approval from the latter by 31 May, to the supervisory agency on registration for annual review.

The relevant government departments in the Hong Kong Special Administrative Region are individually responsible for the registration, regulation and exemption from tax of non-profit or charitable organizations under the Societies Ordinance, the Companies Ordinance and the Inland Revenue Ordinance. The network set up among the various departments provides the basic law-enforcement framework for preventing and investigating any illegal activities carried out by such organizations or preventing them from being used improperly as a channel for providing terrorists with financing. The relevant registers and tax-exemption records contain useful information on the beneficiaries, directors, senior management and corporate finance of such organizations which enable the law-enforcement authorities to investigate any possible illegal activities.

Under the legislation of the Macao Special Administrative Region, all legal entities, including non-profit organizations, are bound by specific principles. The rights enjoyed by such legal entities are limited to those rights and obligations needed or relevant for the attainment of their purposes. The carrying out of any activities that fall outside their stated purposes or objectives can result in their dissolution. If their real purposes are illegitimate or inconsistent with the purposes set out in their codes of conduct or statutes, or if they pursue their purposes through illicit means, the courts may order their extinction.

Subparagraph 2 (a):

The report refers to various laws preventing the supply of weapons to terrorists. Do these also include provisions for licensing the possession of weapons in China (including the Hong Kong and Macao Special Administrative Regions)?

The Law of the People's Republic of China on the Control of Firearms prohibits the possession of weapons by private individuals. Persons such as sportsmen and forest rangers who are required to possess weapons for their work must be thoroughly investigated and given authorization by the appropriate State authorities. Carefully planned and stringent controls including a licensing system are in place for firearms at every phase: manufacture, transport, sale, acquisition and

possession. Under article 130 of the Criminal Law of the People's Republic of China and article 20 and other articles of the Regulations of the People's Republic of China on Administrative Penalties for Public Security, a person is liable to criminal punishment or security administration penalties if he or she is found to be illegally possessing or carrying firearms, ammunition or dangerous items such as explosives, fatal toxic agents or radioactive materials.

In the Hong Kong Special Administrative Region, all persons possessing and dealing in firearms and ammunition are licensed under the Firearms and Ammunition Ordinance, while the Weapons Ordinance requires all martial arts groups or members thereof that hold weapons to so notify to the police.

The Penal Code of Macao establishes as criminal offences, for which it sets out the corresponding penalties, the manufacture, possession and storage of and trade in prohibited weapons or appliances, explosives or radioactive materials.

In the Macao Special Administrative Region, the manufacture, production, import, export, sale, purchase, storage, possession and holding of weapons and ammunition are under strict control. International treaties on firearms, prohibitions on firearms in the Penal Code, Act No. 77/99/M of 8 November 1999 enacting the Regulations on Firearms and Ammunition as well as the laws and regulations governing foreign trade constitute the legal regime for arms regulation in the Macao Special Administrative Region.

Subparagraph 2 (c):

Please outline in detail the specific provisions in China (including the Hong Kong and Macao Special Administrative Regions) to deny safe haven to terrorists and the practical measures available to meet the objectives of subparagraph 2 (c).

Article 5 of the Law of the People's Republic of China on Control of the Entry and Exit of Aliens provides that "aliens in China must abide by Chinese laws and may not endanger the State security of China, harm public interests or disrupt public order". Article 12 of the same Law provides that "aliens who are considered a possible threat to China's State security and public order shall not be permitted to enter China".

In accordance with these two provisions, the authorities of the Chinese Government responsible for the entry and exit of aliens place aliens who are suspected of terrorist activities on the list of persons denied entry into China.

Terrorists are considered to be personae non gratae. They may not be granted entry visas for Hong Kong, nor are they allowed to extend their stay there. The law-enforcement authorities in Hong Kong maintain close contact with each other and actively exchange intelligence with their counterparts overseas in order to closely monitor information concerning terrorists and ensure effective control of the border and immigration. The Government of the Hong Kong Special Administrative Region will implement signed treaties on extradition and mutual legal assistance in accordance with local ordinances and regulations, namely the Fugitive Offenders Ordinance and the Mutual Legal Assistance in Criminal Matters Ordinance. The first ordinance provides that Hong Kong may surrender terrorists from Hong Kong to a jurisdiction with which a treaty has been concluded, for offences normally committed by terrorists. The second ordinance provides that Hong Kong may

provide assistance to other jurisdictions, while those jurisdictions accepting assistance can make extradition requests. The Hong Kong immigration authorities are entitled to deny terrorists entry into Hong Kong and may, under the relevant articles of the Immigration Ordinance, interrogate suspected terrorists who are entering or leaving Hong Kong. The Chief Executive may issue a removal order or a deportation order to the suspected terrorists according to the relevant provisions of the Immigration Ordinance. In accordance with Section 19 (1) (a) of this Ordinance, a removal order may be made against a person by the Chief Executive, requiring him or her to leave Hong Kong, if it appears to the Chief Executive that that person is an undesirable immigrant who has not been ordinarily resident in Hong Kong for three years or more. Pursuant to Section 20 (1) of this Ordinance, the Chief Executive may make a deportation order against an immigrant (who is not a permanent resident of Hong Kong) if: (a) the immigrant has been found guilty in Hong Kong of an offence punishable with imprisonment for not less than two years; or (b) the Chief Executive deems it to be conducive to the public good. Since terrorists are undesirable persons, they may not be granted entry visas into Hong Kong or allowed any extension of their stay there.

The Macao Special Administrative Region has strict laws regulating immigration and border control. Certain non-local residents may be denied entry, depending on the relevant legal provisions. Border control posts are equipped with computer terminals connected to the Identification Department database, which stores all records relating to certificates issued by the Macao Special Administrative Region. Control over the issuance of identity and travel documents is also strict. The Special Administrative Region has already adopted measures to prevent forgery and falsification of documents, including the alteration of valid documents, and it intends to improve its work in this area. The Macao Special Administrative Region has a strict law regulating entry and border control. The law regulating entry, stay and settlement in the Macao Special Administrative Region contains a safeguard under which certain non-local residents may be denied entry. The grounds for such denial are clearly stipulated in that law and include evidence that the applicant was expelled or sentenced to at least one year's imprisonment or tangible evidence showing that the applicant had committed serious offence(s). These grounds can be invoked to deny terrorists and their supporters entry. A study is currently being undertaken to amend the above legislation with a view to, inter alia, to reinforcing border controls and stipulating additional grounds for denying entry to non-local residents and for deporting them, without prejudice to human rights. Border control posts are equipped with computer terminals connected to the Identification Department database, which stores all records relating to the certificates issued by the Macao Special Administrative Region. Control over the issuance of identity and travel documents is also strict, and has obviously been further strengthened to prevent terrorists from entering the Macao Special Administrative Region. The Special Administrative Region has adopted measures to prevent forgery and falsification of documents, including the alteration of valid documents. Documents of the Macao Special Administrative Region are issued in several stages, with different personnel involved at each stage. Those involved in one stage are not permitted to take part in the procedures at another stage or allowed access to that work area. The Immigration and Identification Departments are currently studying ways of improving their work in this area further.

Subparagraph 2 (d):

The report states in the reply to this subparagraph that the class of offences of financing terrorism is about to be expanded by the Government of the Hong Kong Special Administrative Region to include the provision of support in the Hong Kong Special Administrative Region to terrorist activities overseas. Are there similar provisions in the law in other parts of China?

The Macao Special Administrative Region is studying how to define international terrorism as a criminal offence and the extent to which jurisdiction can be exercised over related matters.

Subparagraph 2 (e):

Please provide a progress report on the counter-terrorism legislation drawn up by the Government of the Hong Kong Special Administrative Region.

As noted above, the Legislative Council of the Hong Kong Special Administrative Region has adopted the United Nations (Anti-Terrorism Measures) Ordinance.

Are the relevant provisions of the Criminal Law of China applicable in all of the following circumstances:

Acts committed outside China by a person who is a citizen of, or habitually resident in, China (whether that person is currently present in China or not);

Acts committed outside China by a foreign national who is currently in China?

With regard to crimes committed by Chinese citizens outside the territory of the People's Republic of China, article 7 of the Criminal Law stipulates that this Law is applicable to citizens of the People's Republic of China who commit crimes specified in this Law outside the territory of the People's Republic of China. However, criminal cases which under this Law carry a maximum punishment of up to three years' imprisonment may be overlooked.

Concerning acts committed outside the territory of the People's Republic of China by foreign nationals residing in China, article 8 of the Criminal Law of the People's Republic of China stipulates that this Law may be applicable to foreigners who commit crimes outside the territory of the People's Republic of China against the People's Republic of China or its citizens, in such cases the Law provides for a minimum punishment of three years' imprisonment, provided they are not punishable according to the local law in the place where the acts were committed.

Subparagraph 2 (g):

Could China please provide the Committee with information on the mechanism for inter-agency cooperation between the authorities responsible for narcotics control, financial tracking and security with particular regard to the border controls preventing the movement of terrorists?

The authorities responsible for operations covering "narcotics control, financial tracking and security [and] the border controls preventing the movement of terrorists" are all under the umbrella of the Ministry of Public Security. The centralized guidance, direction and coordination provided by this Ministry ensures smooth, harmonized and prompt cooperation among these authorities.

There are a number of networks connecting law-enforcement agencies in Hong Kong, one such being the Joint Police/Customs Anti-Smuggling Task Force established by the Police Force and the Customs Department with the aim of suppressing smuggling activities, including the transborder movement of terrorists. The Police Force and the Department have also set up a Joint Intelligence Unit and a Joint Financial Intelligence Unit to exchange information and intelligence in the fight against drug trafficking involving terrorists and in the investigation of financial and money-laundering activities. In addition, the law-enforcement agencies hold regular meetings to share the latest information and intelligence on border control.

Subparagraph 3 (c):

Please provide the Committee with a list of relevant bilateral agreements to which China (including the Hong Kong and Macao Special Administrative Regions) is a party.

The Hong Kong Special Administrative Region has concluded bilateral extradition agreements with the following States for the purpose of transferring fugitive offenders: Australia, Canada, India, Indonesia, Malaysia, the Netherlands, New Zealand, the Philippines, Portugal, Singapore, Sri Lanka, the United Kingdom and the United States of America. It has also concluded bilateral agreements on mutual legal assistance in criminal matters with the following States: Australia, Canada, France, Ireland, Italy, New Zealand, the Philippines, Portugal, the Republic of Korea, Switzerland, the United Kingdom and the United States of America.

The Government of the Macao Special Administrative Region concluded a bilateral agreement on mutual legal and judicial assistance with Portugal on 17 January 2001.

Subparagraph 3 (d):

Could China please indicate how it has incorporated into Chinese domestic law that applies to the regions other than the Hong Kong and Macao Special Administrative Regions the requirements of those of the relevant international conventions and protocols relating to terrorism which it has ratified?

Please explain whether the offences set forth in the relevant conventions are extraditable offences under Chinese extradition law and in the bilateral treaties on extradition that China (including the Hong Kong and Macao Special Administrative Regions) has concluded with other countries.

The Fugitive Offenders Ordinance promulgated by the Government of the Hong Kong Special Administrative Region contains, in schedule 1, a list of offences for which fugitive offenders are transferable under multilateral international agreements as well as offences specified in the decisions of international organizations.

Subparagraph 3 (g):

Do the Hong Kong and Macao Special Administrative Regions have any laws on extradition, or is extradition based only on bilateral treaties?

Bilateral extradition agreements concluded by Hong Kong are implemented pursuant to the local Fugitive Offenders Ordinance.

A number of multilateral treaties containing provisions on extradition have seen their scope of application extended to the Macao Special Administrative Region. In addition, in 1999 the Macao Special Administrative Region concluded an agreement with Portugal on the transfer of convicted persons which the central Government confirmed in 2000.

Paragraph 4

Has China addressed any of the concerns expressed in paragraph 4 of the resolution?

China has taken an active part in the international counter-terrorism cooperation by setting up bilateral consultation and cooperation mechanisms with the United States of America, the Russian Federation, the United Kingdom, India and others. China has also actively participated in counter-terrorism cooperation within the framework of the international and regional organizations such as the United Nations, Asia-Pacific Economic Cooperation (APEC), the Regional Forum of the Association of South-East Asian Nations (ASEAN) and the Shanghai Cooperation Organization.

Law-enforcement agencies in Hong Kong keep in close touch with each other at all times and exchange intelligence effectively with their counterparts overseas in order to actively combat international terrorist activities and transnational organized crime. In its effort to combat such crimes, Hong Kong also does its utmost to implement all applicable resolutions adopted by the United Nations Security Council and fulfils its obligations under the relevant international conventions. In addition, Hong Kong has always been an active member of FATF and is currently occupying the Presidency of the Task Force (for the term 2001-2002).

Other matters:

Could China please provide an organizational chart of its administrative machinery, such as police, immigration control, customs, taxation and financial supervision authorities, established to give practical effect to the laws, regulations and other documents that are seen as contributing to compliance with the resolution?

The Ministry of Foreign Affairs of the People's Republic of China serves as focal point for the development of international counter-terrorism cooperation in implementation of Security Council resolution 1373 (2001). Authorities involved in the implementation of resolution 1373 (2001) now include the Ministries of National Defence, Public Security, State Security and Finance, as well as the People's Bank, Customs and other relevant legislative and enforcement bodies.

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Letter dated 31 July 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 3 May 2002 (S/2002/520).

The Counter-Terrorism Committee has received the attached supplementary report from Ecuador, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

02-52245 (E) 300802 110902

Annex

[Original: Spanish]

Letter dated 22 July 2002 from the Permanent Representative of Ecuador to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

In reference to your letter of 1 May 2002, transmitting the preliminary comments of the Counter-Terrorism Committee on the report submitted by Ecuador pursuant to paragraph 6 of Security Council resolution 1373 (2001), I have the honour to attach herewith the additional information requested from the Government of Ecuador (see enclosure).

(*Signed*) Luis Gallegos **Chiriboga**
Ambassador
Permanent Representative of Ecuador to the United Nations

Enclosure

Report of the Republic of Ecuador to the Counter-Terrorism Committee of the Security Council pursuant to resolution 1373 (2001)*

Quito, 17 July 2002

Subparagraph 1 (a):

Could Ecuador please describe the measures in place or proposed to be taken after ratification of the International Convention for the Suppression of the Financing of Terrorism to comply with this subparagraph?

The International Convention for the Suppression of the Financing of Terrorism, signed by Ecuador on 10 January 2000, is in the process of parliamentary approval prior to its ratification.

Since the signing of this document, however, legal reforms have been introduced to penalize the crime of terrorism as a basis for the penalization of related crimes, including the financing of terrorism.

Accordingly, Act No. 2001-47, R.O. 422, of 28 September 2001, introduced amendments to chapter IV, on the crimes of sabotage and terrorism, Title I, of the Penal Code (see annex 1).

Subparagraph 1 (b):

Please provide a progress report on the work relating to the revision of the Penal Code in regard to the requirements of the resolution.

Without prejudice to the reforms referred to in the previous paragraph, an inter-agency committee was formed, composed of representatives of the National Congress, the Supreme Court of Justice, the Office of the Procurator-General, the Public Prosecutor's Office, the Ministry of Government and Police, the Superintendency of Banks and Insurance, the National Council on Narcotic Drugs and Psychotropic Substances and other supervisory bodies connected with the administration of criminal justice; this Committee is responsible for studying, analysing and proposing revisions to the Penal Code for the purpose of formulating new criminal categories relating to terrorism that would incorporate the provisions of the above-mentioned United Nations resolution.

On 13 July 2001, the new Code of Criminal Procedure entered into force. It incorporates a prosecutorial system that allows for the enforcement of criminal law more smoothly and efficiently by the higher and lower Ecuadorian courts.

Furthermore, the revisions of the Penal Code that entered into force in Ecuadorian law on 28 September 2001 provide for the tightening and accumulation of penalties up to a maximum of 35 years for offences punishable by special long-term rigorous imprisonment.

* The annexes are on file with the Secretariat and are available for consultation.

The revisions also eliminated the benefit whereby each year of a sentence could be counted as two. Henceforth, to obtain a year's reduction, five years of the sentence must be completed.

Ecuador signed the Rome Statute establishing the International Criminal Court. It was ratified and has been in full force since 31 January 2002. In June 2002, Ecuador signed the Inter-American Convention against Terrorism, for which the ratification procedure will soon begin.

Subparagraph 1 (c):

Please outline the provisions of the relevant law that enables authorities in Ecuador to freeze funds, financial assets and other economic resources of persons and entities, either resident or non-resident, linked to terrorism and terrorist acts.

The inter-agency committee responsible for studying, analysing and proposing revisions to the Penal Code for the purpose of characterizing new offences relating to terrorism will add provisions relating to the financing of terrorism, incorporating the relevant reforms into other laws.

As a point of reference, it should be noted that the following provisions exist in the Ecuadorian legal system: article 3, paragraph 10 of the Act on Narcotic Drugs and Psychotropic Substances, referring to the scope of the Act, provides that the conversion or transfer of assets (money-laundering) must be opposed; similarly, article 77 of the same Act establishes the penalties applicable to the perpetrator and accomplices before and after the fact for offences committed in connection with money-laundering.

Article 104 of this Act provides for the impounding or seizure by the competent authority (criminal court judge), and final confiscation by enforceable sentence, of all movable and immovable goods, money, securities, monetary instruments, bank, financial or commercial documents and other assets that are judged to be a product of the commission of the acts characterized in this Act. The precautionary measures that may be taken by the criminal court judge or other competent judge consist of: retention, attachment or a ban on the transfer of assets, under articles 159 and 191 of the Code of Criminal Procedure.

Subparagraph 1 (d):

Is there any law in Ecuador that prohibits individuals or entities from making available funds, etc., in support of terrorist acts?

Article 147 of the Ecuadorian Penal Code, in book II, title I, chapter II, "Offences against the internal security of the State", imposes penalties of 8 to 12 years ordinary rigorous imprisonment on anyone who promotes or participates in guerrilla organizations, commandos, combat groups or terrorist cells whose purpose is to subvert public order, while obeying instructions from foreign sources and receiving support or economic assistance from abroad; article 151 criminalizes the receipt of money for subversive purposes and establishes a prison sentence of three months to two years, with the proceeds of the confiscation of these assets to be used for national defence.

Article 200 of the Codification of the General Act on Institutions of the Financial System requires financial institutions to maintain internal controls to prevent any operations which, under Ecuadorian law and international recommendations, are considered to have resulted from unlawful acts.

Article 30 of the same Act, which covers the rights and duties of the board of directors of a financial institution, provides that the board must approve the reports of the internal auditor with respect to compliance with rules to prevent money-laundering.

Article 1 of title VIII, subtitle IV, chapter II, of the Codification of Resolutions of the Superintendency of Banks and Insurance and of the Board of the Central Bank, on "Rules for the prevention of the laundering of the proceeds from unlawful activities on the part of institutions under the supervision of the Superintendency of Banks, reads as follows: "The institutions of the financial system are required to take appropriate and sufficient control measures to prevent these institutions, in carrying out their operations, from being used as an instrument for hiding, managing, investing or using in any way money or other proceeds from activities connected with drug trafficking, or transactions and funds connected with such activities".

In relation to the foregoing, mechanisms exist which allow for some form of control over the supply of money or resources through the financial system that could be diverted at any given time to the commission of various offences, including terrorism.

Are financial institutions, financial intermediaries, lawyers, notaries and other natural and legal persons required to report on suspicious transactions to the relevant public authorities?

By virtue of the public right of action, anyone who learns of the commission of a crime is required to report this fact to the competent authorities, on penalty of incurring responsibility, or even criminal liability, depending on the circumstances of the events, under article 42 of the Code of Criminal Procedure.

In the specific case of the financial system, and with regard to the Superintendency of Banks and Insurance, article 93 of the General Act on Institutions of the Financial System requires the Superintendent of Banks to inform the Public Prosecutor's Office of the facts indicating that an unlawful act relating to the activities of the financial institutions has been committed. The Superintendency of Banks and Insurance may participate as a contending party in any related judicial proceedings.

Section II, article 2, of the Codification of Resolutions of the Superintendency of Banks and Insurance and of the Board of the Central Bank provides that the institutions of the financial system must submit a monthly summary report to the National Council on Narcotic Drugs and Psychotropic Substances on transactions equal to or exceeding $10,000 or the equivalent in other foreign currency.

The inter-agency committee mentioned in the reply concerning subparagraph 1 (b) is responsible for introducing the relevant reforms covering specific obligations to report suspicious transactions.

What laws and practical controls and surveillance measures exist to ensure that funds and other economic resources collected for religious, charitable or cultural purposes are not diverted for other purposes, particularly for financing terrorism?

The legal framework — societal, economic, financial and accounting — in which the Superintendency of Companies operates does not allow it to check the origin and destination of funds and other economic resources received by entities and agencies such as those mentioned, including non-governmental organizations (NGOs), which have a very different legal position to that of a company. Since the ultimate purpose of such entities and agencies is not commercial but rather religious, humanitarian or cultural, among others, their establishment, existence and control are regulated by the competent State bodies.

The current legal situation in this matter requires the above-mentioned inter-agency committee to take responsibility for submitting a bill to regulate the activities of NGOs.

Despite the foregoing, it should be noted that it has been an ongoing concern of the Superintendency of Companies, as the supervisory body for corporations domiciled in Ecuador, to ensure that the legal and technical provisions under which it operates are appropriate to the country's needs in general, and to those of the relevant corporate entities in particular; a number of reform bills have therefore been submitted to the National Congress, especially in reference to the Act on Companies, and/or the passing of new laws, such as those relating to the stock market, bankruptcy reorganization, arbitration and mediation, and also including, at the internal level, company rules and regulations.

Subparagraph 2 (a):

Please describe the legal and other measures in Ecuador that regulate the manufacture, sale, possession, storage and transport of weapons and explosives in Ecuador.

The manufacture, sale, possession, storage and transport of weapons and explosives in Ecuador are regulated by the Act on the Manufacture, Import, Export, Sale and Possession of Weapons, Ammunition, Explosives and Related Materials, published in *Official Gazette* No. 311 of 7 November 1980, and the Regulation for the Establishment and Operation of Private Security Organizations, published in *Official Gazette* No. 257 of 13 February 1998.

Currently under consideration in the National Congress is a bill on private surveillance and security, submitted by the armed forces, and a preliminary bill has been drawn up that would establish an aeronautical police force, composed of members of the air force, for the purpose of controlling airport security.

The Combined Armed Forces Command is issuing directives to promote more efficient control of activities relating to weapons, ammunition, explosives and related materials. A computerized database is being set up, which covers the military zones throughout the country.

Article 8 (e) of the Basic Law on Customs provides that customs officials have the right to "confiscate objects and publications that endanger the security of the State, public health or morals, in accordance with the relevant laws and regulations".

Article 122 (g) of this Act, which lists the functions and powers of the Customs Surveillance Service, the specialized surveillance arm of the Ecuadorian Customs Corporation, provides for "Collaboration in controlling the illicit trafficking of narcotic drugs, psychotropic substances and precursors, weapons, ammunition and explosives, in primary and secondary zones". This collaboration is carried out directly by trained personnel from the National Police, in this case Interpol, and members of the Intelligence Service of the armed forces.

How is international trade in weapons and explosives regulated in Ecuador?

International trade in weapons and explosives is governed and regulated by the Act on the Manufacture, Import, Export, Sale and Possession of Weapons, Ammunition, Explosives and Related Materials, and the regulations pertaining thereto.

The Ecuadorian Customs Corporation checks to ensure that imports or exports related to such material have been previously authorized by the Combined Armed Forces Command. For each item imported, a physical appraisal is made to verify the customs declaration.

The Ecuadorian Customs Corporation checks the qualitative value and quantitative amounts of all types of imports and exports, compiling information which can be consulted in order to compare the indexes on trade of this type of merchandise with those registered by the Combined Armed Forces Command.

Subparagraph 2 (b):

Please describe the mechanisms that Ecuador has in place to provide early warning to other Member States of anticipated terrorist activity.

A number of mechanisms exist for the exchange of information between the Ministry of Defence, the National Police, special agencies and the intelligence organizations of various countries, including Ecuador, in which computerized systems are used for the exchange of high-security information allowing for early warning of anticipated terrorist activities.

Subparagraph 2 (c):

Please outline the procedures and the relevant legal provisions that enable Ecuador to prevent persons supporting terrorism from seeking safe haven in Ecuador.

In accordance with article 1 F (a) and (b) of the Geneva Convention of 1951, the Government of Ecuador does not grant international protection to any person who:

(a) Has committed a crime against peace, a war crime, or a crime against humanity, as defined in the international instruments drawn up to make provision in respect of such crimes;

(b) Has committed a serious non-political crime outside the country of refuge prior to his admission to that country as a refugee.

This legal framework is directly related to article 14 (a), (b) and (c) of the Regulations for the Application of the 1951 Geneva Convention on the Status of

Refugees (Decree No. 3301 of 6 May 1992). This document provides that no one who has committed crimes against the peace or serious non-political crimes, that is, who has a criminal record and has been found guilty of such crimes by enforceable sentences, may be considered a refugee.

Included in those who have committed crimes against the peace and non-political crimes are those who have committed acts of terrorism, kidnappings or massacres or participated in the military wing of a drug trafficking operation.

Under article 9 of the 1951 Geneva Convention, which provides that States parties may take measures which it considers to be essential to the national security in the case of a particular person, the Commission on the Status of Refugees in Ecuador systematically denies refugee status to anyone who confesses to having participated in subversive groups or committed acts of terrorism, crimes against the peace or serious non-political crimes, or who is alleged to have committed such acts.

In order to standardize criteria and procedures, and thus avoid granting protection to persons whose background would exclude them, the Ministry of Foreign Affairs is preparing instructions for immigration authorities and other bodies which receive applications for asylum in Ecuador.

If it is found, after a person is granted refugee status, that he or she has committed any of the aforementioned crimes in the receiving country, he or she shall be subject to due process of law. In such cases the Convention allows for the withdrawal of refugee status, expulsion from the national territory and even return to the country of origin.

Other relevant national legal instruments include the following:

Article 13 of the Political Constitution provides that foreigners shall enjoy the same rights as Ecuadorians, within the limits imposed by the Constitution and law.

The Penal Code, which criminalizes terrorist threats and terrorist activities on foreign instructions and with economic support from abroad and provides for the confiscation of money or assets brought into the country for subversive purposes; it also penalizes those who assist foreign subversive agents to enter and remain in the country or to hide and evade justice (articles 147, 151, 152, 160, 160.1, 165 and 166).

The Immigration Act and its regulations provide for the deportation and exclusion of foreigners who are involved in the activities specified in article 9, paragraphs XIII and XIV, and article 19, and of anyone who seeks to enter Ecuador with the intent of carrying out activities that are harmful to the public interest, or endangering national security by committing terrorist acts.

Article 5 of the Status of Aliens Act provides that the Government of Ecuador may take precautionary measures to prevent alien residents from engaging in political or military activities or promoting internal wars and conflicts.

With regard to police activities, article 183 of the Political Constitution of Ecuador establishes the terms of reference of the National Police, namely, to ensure internal order and individual and collective safety; to that end it has specific functions, as set forth in the Basic Law of the National Police, which include the prevention and suppression of non-political crimes and the control of immigration and residence of foreigners in Ecuador.

To meet this objective, the National Police of Ecuador has the help of the Immigration Service in carrying out its duties and functions as set forth in articles 4 and 5 of the Immigration Act. With respect to procedures applicable to foreigners who seek to enter the country in order to carry out activities that are harmful to the public interest or undermine the status or security of Ecuadorian nationals (art. 9, para. XIV), they are immediately prohibited entry by the Immigration Service at the ports or airports and border checkpoints.

As for deportation, once it has been determined that a foreigner is in the country illegally without having passed through immigration control; or is involved in the activities which are grounds for exclusion; or has been sentenced in Ecuador or is an ordinary offender who may not be tried in Ecuador for lack of jurisdiction (international requirements), he or she is turned over to the Police Inspector-General after the immigration authority has been informed. The latter, who is responsible for the deportation procedure, initiates the proceedings and, within 24 hours, orders the defendant to appear, together with a representative of the Public Prosecutor's Office and a defence lawyer to present the legal arguments, if any. If such arguments are not found to be valid, the Police Inspector-General must, within 24 hours, make a ruling on the deportation. Only in the case of a ruling in favour of the defendant, such as dismissal of the suit, may the case be referred to the Minister of Government, within three days following the date of the ruling.

Deportation is a measure that allows for immediate ejection of foreigners who are involved in activities in violation of the Immigration and Status of Aliens Act and the Penal Code, including foreign nationals whose extradition has not been requested through the diplomatic channel who are sought by judicial authorities abroad.

During this police procedure, the Immigration Service coordinates its activities in order to request criminal records from the Judicial Police and the National Central Office (OCN) of Interpol in Quito, in support of the fight against international organized crime. The Interpol office conducts background checks of foreigners in their countries of origin and other countries in order to make the information available to the competent authorities for the purposes of deportation, expulsion, exclusion and/or extradition, as appropriate.

For the granting of immigrant visas, the Status of Aliens Office requests the verification of criminal records of foreigners in their countries of origin through the Interpol office (OCN) in Quito, which requests cooperation from its counterparts.

Subparagraph 2 (d):

Please provide an outline of the relevant legal provisions and other measures that ensure that the territory of Ecuador is not used for the commission of terrorist acts outside Ecuador.

Various laws contain provisions that provide, on the basis of the Constitution of the Republic, under which international law is the rule of conduct for States in their reciprocal relations, for the prohibition of the use or threat of force and for the promotion of the peaceful settlement of disputes. Another relevant law is the National Security Act, which stipulates that an effort must be made to counteract negative external and internal factors through political, economic, social and even military precautionary measures and actions.

Thus, the legal provisions which Ecuadorian authorities are empowered to enforce to prevent persons supporting terrorism from using the national territory for the commission of terrorist acts outside Ecuador include: the Political Constitution of the Republic, the National Security Act, the Penal Code, the Code of Criminal Procedure, the Immigration Act and the relevant international conventions signed by Ecuador.

The measures are used for controlling borders, customs and migration throughout the national territory.

Subparagraph 2 (e):

What is the competence of the courts in Ecuador to deal with criminal acts of each of the following kinds:

- **An act committed outside Ecuador by a citizen or by a person who is habitually a resident of Ecuador (whether that person is currently present or not);**
- **An act committed outside Ecuador by a foreign national who is currently present in Ecuador.**

In the first case, under the rules of interpretation of the Civil Code, acts committed outside Ecuador by a national or resident of Ecuador must be tried by a judge from the jurisdiction where the offence was committed.

In the case of Ecuadorians, who, pursuant to article 25 of the Political Constitution of Ecuador, may not be extradited, the lower and higher courts of Ecuador are competent to try them, provided that the authorities of the State where the offence was committed so request, for which they must provide sufficient evidence of the commission of the offence and it must have been classified as an offence at the time of the initiation of the criminal proceedings.

Where a foreigner, after committing a crime, takes refuge in Ecuador or resides in the country and seeks to evade justice, the Supreme Court of Justice is competent to extradite him or her if a request for extradition is made by the other country on the basis of a bilateral or multilateral extradition treaty, or of the principle of reciprocity in a case where there is no legal instrument of this type.

If the act was committed outside Ecuador by a foreigner currently in Ecuador, the lower or higher courts may request that person's detention in order to initiate a deportation or extradition procedure depending on whether the person is legally in the country, in accordance with his or her immigration status.

The competence of Ecuadorian courts is established by the provisions of the Penal Code and the Extradition Act.

Penal Code: Territoriality of the penal regime. Article 5, paragraph 3.

Any national or foreigner who commits any of the following offences shall be punishable under Ecuadorian law:

1 (a) Offences against the State;

2 (a) Offences involving the counterfeiting of State seals, or the use of counterfeit seals;

3 (a) Offences involving the counterfeiting of coins or bills of the Central Bank legally in use in the State, or of certified securities or Ecuadorian bonds;

4 (a) Offences committed by government employees, abusing their powers or violating the obligations inherent in their duties;

5 (a) Violations of international law; and

6 (a) Any other offence for which the special provisions of law or international conventions establish the competence of Ecuadorian law.

Foreigners who commit any of the above-mentioned offences shall be tried and punished under Ecuadorian laws, provided that they are apprehended in Ecuador, or that their extradition is obtained.

Article 6. Extradition shall be carried out wherever and however determined by the Constitution, the relevant laws and the Code of Criminal Procedure.

Article 7. (Replaces the First Final Provision of Act No. 2000-24, R.O. 144-S, of 18 August 2000.) Any Ecuadorian who, besides the cases provided for in the previous article, commits a crime abroad for which Ecuadorian law has established a penalty of more than one year's imprisonment shall be penalized under Ecuadorian criminal law, provided that the person is currently present in Ecuadorian territory.

Extradition Act: Article 5. Extradition shall not be granted in the following cases:

(1) Those involving foreigners accused of crimes which fall under the competence of Ecuadorian judges and courts, under domestic law.

In cases where extradition is denied pursuant to the previous paragraph, if the State in which the acts were committed so requests, the Ecuadorian Government shall submit a report on the act which motivated the request to the Public Prosecutor, so that he may initiate judicial proceedings against the person whose extradition is sought. In such cases, the requesting State shall be requested to submit the documents relating to past judicial proceedings so that the proceedings may be continued in Ecuador.

In cases where the crime was committed outside the requesting State, extradition may be denied if Ecuadorian law does not allow for the prosecution of a crime of the same type committed outside Ecuador.

(2) Those involving political offences. The following shall not be considered political offences: acts of terrorism; crimes against humanity as set forth in the Convention on the Prevention and Punishment of the Crime of Genocide, adopted by the United Nations General Assembly; or an attack on the life of a head of State or any member of his family. Nor shall ordinary offences, even when committed for political motives, be considered political crimes.

(3) Those involving military offences criminalized by Ecuadorian military criminal law, without prejudice to the relevant provisions of international treaties signed and ratified by Ecuador; those committed through the communications media in the exercise of the right to freedom of expression; and crimes subject to private prosecution.

(4) Those where the person whose extradition is sought must be judged by an extraordinary court.

(5) Those where the prescription of the action or penalty has been verified under Ecuadorian law or the law of the requesting State.

(6) Those where the person whose extradition is sought has been tried, judged, sentenced or absolved in Ecuador for the same acts on which the request for extradition is based. Extradition may be granted, however, where a refusal order has been handed down, putting an end to the criminal proceedings for the acts in question, provided that this order was not based on a dismissal or any other decision having a *res judicata* effect.

(7) Those where the requesting State refuses to give an undertaking that the person whose extradition is requested will not be executed or subject to corporal punishment or inhuman or degrading treatment.

(8) Those where the requesting State has refused to give the undertakings required under article 3 of this Act.

(9) Those where the person whose extradition is sought has been recognized as a political refugee, provided that he or she is not sought for another offence that would merit extradition. The non-recognition of the status of political refugee, whatever its grounds, shall not prevent the denial of extradition on any of the grounds provided for in this Act.

Article 6. Extradition may be denied:

(1) If there are substantial grounds for believing that a request for extradition for an ordinary criminal offence has been made for the purpose of prosecuting or punishing a person on account of that person's race, religion, nationality, political opinion or sexual orientation or that that person's position may be prejudiced for any of those reasons;

(2) If the person whose extradition is sought is less than 18 years of age at the time of the request for extradition and, if he or she habitually resides in Ecuador, it is considered that extradition may prevent his or her social reintegration, without prejudice to the taking of the most appropriate measures in agreement with the authorities of the requesting State.

Subparagraph 2 (f):

Please describe the procedure in Ecuador to deal with the requests of Member States for assistance in criminal investigations or in criminal proceedings.

Requests for assistance and collaboration in criminal matters between Member States are processed by the Ministry of Foreign Affairs, which plays the role of intermediary between the requesting State and the judicial bodies responsible for providing such assistance.

Requests may be made in the form of commissions or letters rogatory or requests for judicial assistance, duly processed, legalized and, where appropriate, translated into Spanish.

OCN-Interpol in Quito is an agency of the National Police of Ecuador — National Office of Judicial Police, and is a part of the International Criminal Police Organization (Interpol).

Under article 2 of the Constitution of the International Criminal Police Organization, one of the aims of Interpol is to promote mutual international assistance in the prevention and punishment of ordinary crimes and thus to enable Member States to cooperate in the exchange of information for purposes of investigation and tracking down fugitives from international justice; it serves as a channel for transmitting requests for reciprocal judicial assistance (letters and commissions rogatory) in cases provided for in international agreements to which Ecuador is a party (United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances, International Convention against Transnational Organized Crime and bilateral extradition treaties, among others).

With regard to criminal investigation, the OCNs, through their X-400 system (electronic mail), transmit their requests instantly, on behalf of the police, judicial or government authorities, for information, criminal records, verification of true identity, verification of legality of travel and naturalization papers, verification of judicial processes, and other investigations.

With regard to the tracking down of fugitives from international justice, Interpol-Quito receives and transmits requests that they be found and detained for purposes of extradition, in accordance with the Extradition Act, international agreements and its own statutes. To that end, it transmits the red alerts issued by the General Secretariat of Interpol (in Lyon, France) to the national immigration and judicial police services.

Operationally, Interpol acts in cooperation with police forces, other similar agencies in third countries and liaison officials, and in coordination with the consulates of the various countries.

At the same time, Ecuador, in the effort to combat drug trafficking, complies with requests for mutual police assistance under the provisions of the 1988 United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances and a number of bilateral treaties; this cooperation is important because of the potential relationship between drug trafficking and terrorism, with the former being used to finance the latter.

Subparagraph 2 (g):

Please describe the measures taken by Ecuador to upgrade and modernize its border control systems and identification documents to prevent the movement of terrorists across its borders.

(1) In relation to border control:

(a) The armed forces have strengthened their presence on the borders, especially on the border between Colombia and Ecuador, taking steps such as: establishment of new units, adaptation of organizational units, operational redeployments, improvement of intelligence systems and modernization of strategic mobility capacity. Measures have also been taken to:

- Modernize the materiel and equipment required to neutralize and/or destroy any threats to national security;
- Develop information networks through SURNET and in the framework of national and bilateral intelligence meetings with various countries;

- Activate control systems at border posts to prevent free cross-border movement and detain citizens identified as possible terrorists;

- Optimize mechanisms for exchanging information at bilateral intelligence meetings, both national and regional, on terrorist groups, on trafficking in weapons, ammunition, explosives and related materials and on potential threats in the national or regional context.

(b) The National Police of Ecuador have strengthened their urban, immigration, anti-narcotics, transit, judicial and environmental departments, among others, in the effort to prevent and punish crime.

To that end, the Police have begun to exert greater control at the border through integrated checkpoints, especially in the border area between Colombia and Ecuador, where staff from the elite units (Intervention and Rescue Group) have been deployed, and through the incorporation of new elements in the institution itself and the assignment of a large contingent of police officers to serve in the border provinces of Esmeraldas, Carchi, Sucumbos and Orellana. Furthermore, with regard to vehicular control, Ecuador and Colombia jointly apply the agreed regulations on transborder land transit between Ecuador and Colombia.

In compliance with bilateral treaties and the agreement establishing the Andean Community, it has cooperated in the operation of national and bilateral border posts (CENAF and CEBAF), staffed by members of the immigration, transit and judicial police services.

With regard to immigration control and, specifically, to the granting of visas, the Ministry of Foreign Affairs adopted a new visa system in May 2002, which entails the use of a high-security adhesive and requires a photograph of the visa holder. At the same time, a database has been set up containing complete information on the visa holder.

During a second stage, the above-mentioned system will be extended to the main consulates in Ecuador, and, during a third stage, an online service will be established through the Internet to allow for instant access to the information in the databases of the Ministry of Foreign Affairs and consular offices. Lastly, the Ministry of Foreign Affairs hopes to extend the system to other national agencies that deal with immigration, especially the National Immigration Office, since this will make it easier to check information on applicants and will reinforce security mechanisms to identify potentially undesirable persons.

The Immigration Service at the borders maintains strict control over ports, airports and border posts to detect the presence of foreign citizens with criminal records; it coordinates its work with the other police services, mainly the National Central Office of Interpol (OCN) in Quito, which keeps a file on fugitives from international justice.

At the Quito and Guayaquil international airports, a computerized system to control entry and exit of nationals and foreigners has been set up to obtain immediate information on migratory movements or judicial requests.

(2) In relation to identification documents:

To detect counterfeit travel documents and visas, the National Immigration Office in the Ministry of Government carries out surveillance operations in

coordination with the various agencies that issue documents and grant visas, namely, the Civil Registry, the Office of Travel Documents in the Ministry of Foreign Affairs, the Office of Alien Status in the Ministry of Government and the Office of Immigration Affairs in the Ministry of Foreign Affairs, together with embassies and consulates.

The Government of Ecuador has affirmed its desire to comply with Andean Community decisions 503 and 504, on national identity papers and on the Andean passport, whose aim is to facilitate the travel of persons in the Community area. These decisions are being implemented, however, in the context of a broad plan which includes a series of measures, with particular emphasis on the harmonization of laws, coordination among the parties and immigration.

With respect to the recognition of national identity papers (decision 503), the decision is being followed up at the Andean level with a view to promoting its effective implementation, especially with regard to cooperation in immigration matters, including, among other things, the exchange of information and immigration control.

As for passports, Ecuador was the first country in the Andean Community to implement decision 504, on the Andean passport. The Andean Passport of Ecuador, which has a high degree of technical sophistication and security, became valid on 1 July 2002. In the plan to personalize the new high-security Ecuadorian passport, provisions have been made for checking travel documents at international airports and land border posts, using modern computerized equipment.

Lastly, an agreement was recently signed between the Ministry of Foreign Affairs and the Civil Registry Office which provides that passport-issuing offices in Ecuador, immigration officials and about 60 Ecuadorian consulates abroad may check the identity of Ecuadorian citizens by consulting the civil registry databases.

Please describe the inter-agency coordination mechanism that exists in Ecuador among the agencies responsible for narcotics control, financial tracking, security and, in particular, border control.

Depending on the nature of the matter, coordination takes place between the following institutions:

Control of narcotic drugs:

National Police, Ecuadorian Customs Corporation (CAE) and the National Council on Narcotic Drugs and Psychotropic Substances (CONSEP).

Financial tracking:

National Police, Superintendency of Banking, CONSEP and the Office of the Public Prosecutor.

Security and border control:

Armed forces and National Police.

Within CONSEP, the Unit for Processing of Classified Information (UPIR-DN) deals with financial tracking, and the National Office of Control and Supervision controls narcotic drugs, psychotropic and specific chemical substances, which are listed in the annexes to the Narcotic Drugs and Psychotropic Substances Act. To that end: (a) it exchanges information with the National Anti-Narcotics Office of the

National Police and with the Customs Surveillance Service; (b) it participates in special operations such as "Operation *Seis Fronteras*", for which an inter-agency group called "GEICOFI" was formed, composed of representatives of CONSEP, the National Anti-Narcotics Office of the National Police and the Customs Surveillance Service; (c) in the border provinces such as El Oro and Carchi, arrivals of imported chemical substances are checked; (d) laboratories, importers and distributors of medications containing narcotic drugs and psychotropic substances are controlled and monitored.

With regard to the financial system, as indicated above, financial institutions must fully and sufficiently disclose to CONSEP, through the Superintendency of Banks, all transactions whose characteristics suggest that they may be money-laundering operations. They are also required to submit a monthly report on operations that equal or exceed $10,000 or its equivalent in other currencies.

On the military side, existing coordination mechanisms operate through the national and military intelligence systems, plans and directives, liaison officials and representatives of the armed forces in the relevant agencies responsible for controlling narcotic drugs, financial tracking, security and border controls.

Subparagraphs 3 (a), (b) and (c):

Please explain how Ecuador proposes to comply with the requirements of these subparagraphs.

It proposes to comply by strengthening existing judicial, police and administrative agreements, and by jointly elaborating similar instruments with other countries and agreements among police intelligence, military and civilian agencies based on modern computerized information systems at periodic bilateral or multilateral intelligence meetings. It also proposes, with regard to the police, to facilitate the exchange of files, evidence and, occasionally, special intelligence procedures in order to break up terrorist groups.

The Superintendency of Telecommunications is the agency responsible for all technical and administrative control of communications. To carry out its functions, this agency must make the necessary inspections and tests to verify whether the service is authorized by the competent authority, evaluate the precision, quality and reliability of the system in operation and establish the technical specifications for the operation of the radio, television or telecommunications system.

The Superintendency of Telecommunications has the authority to prosecute, at the administrative level, any natural or legal persons who commit infractions under the above-mentioned laws and apply sanctions if they do not operate in accordance with the parameters granted or if the telecommunications systems do not have the proper licence; the last-mentioned case constitutes an administrative offence categorized in article 28 (a) of the Special Telecommunications Act, for which the maximum penalty provided for therein is imposed.

Act No. 99-38, published in *Official Gazette* No. 253 of 12 August 1999, appends the following provision to article 422 of the Penal Code:

> "Anyone who offers, provides or sells telecommunications services, without being legally authorized to do so, through concession, authorization, licence, permit, agreement or any form of administrative contract, excepting

the use of Internet services, shall be subject to a penalty of two to five years' imprisonment. Included in this provision are those who are in clandestine possession of equipment whose configuration and other technical features indicate that one of its purposes is to offer the services referred to in the preceding paragraph, even though it is not being used. The penalties set forth in this article shall apply without prejudice to the administrative and civil liabilities provided for in the Special Telecommunications Act and its Regulations".

With respect to this offence, the Superintendency of Telecommunications is coordinating activities with the operators of telecommunications services, the Public Prosecutor's Office and the National Police to carry out investigations; once unlawful conduct has been detected, the equipment that has been used to provide unauthorized telecommunications services is seized and remains in the hands of the judicial police as evidence in the ensuing criminal proceedings.

Please outline the bilateral arrangements, if any, that Ecuador has with its neighbours, as well as other Member States, in regard to cooperation in matters relating to anti-terrorism, mutual assistance and extradition.

Ecuador has not signed any bilateral agreements on terrorism; however, it has signed the Inter-American Convention against Terrorism.

With regard to mutual assistance, Ecuador has signed a number of international instruments on bilateral cooperation between countries, such as the United Nations Convention against Transnational Organized Crime and the Inter-American Convention on Letters Rogatory.

Ecuador has signed extradition agreements with Australia, Belgium, Bahamas, Bolivia, Brazil, Canada, Chile, Colombia, France, Guinea, Kenya, Pakistan, Spain, Swaziland, Switzerland, Tanzania, Uganda, United Kingdom of Great Britain and Northern Ireland and United States of America.

It applies the Inter-American Convention on Extradition to countries of the Americas with which it has no bilateral agreement, and it applies the principle of reciprocity to those countries with which no international instrument exists.

Subparagraph 3 (d):

The Counter-Terrorism Committee would welcome a report, in relation to the international conventions and protocols relating to terrorism, of the progress achieved by Ecuador in:

- **Enacting the necessary legislation or making other arrangements to implement the instruments to which it is a party;**

Article 4 of the Constitution provides that international law is the rule of conduct of States in their mutual relations. Article 163 of the Constitution establishes that "[T]he rules set forth in international treaties and agreements, once they have been promulgated in the *Official Gazette*, shall become part of the legal system of the Republic and shall take precedence over lower-level laws and other rules". Therefore, the international instruments on terrorism signed, ratified and promulgated by Ecuador have become part of its domestic legislation.

– Becoming a party to the instruments to which it is not yet a party.

The following international agreements are in force in Ecuador and therefore form part of its domestic legislation.

- Convention on Offences and Certain Other Acts Committed on Board Aircraft;
- Convention for the Suppression of Unlawful Seizure of Aircraft;
- Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation;
- Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents;
- Convention against the Taking of Hostages;
- Convention on the Physical Protection of Nuclear Material;
- Convention on the Marking of Plastic Explosives for the Purpose of Detection.

In addition, the following instruments are under consideration for parliamentary ratification:

- Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation;
- Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation;
- Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf;
- International Convention for the Suppression of the Financing of Terrorism;
- Convention to Prevent and Punish the Acts of Terrorism Taking the Form of Crimes against Persons and Related Extortion that are of International Significance;
- Inter-American Convention on Forced Disappearance of Persons; and
- Inter-American Convention against Terrorism.

Subparagraph 3 (e):

Have the crimes mentioned in the relevant international conventions and protocols been included as extraditable offences in the bilateral treaties to which Ecuador is party?

The international conventions and protocols are part of national legislation and their rules must be respected under the provisions of the Political Constitution of the Republic.

Obviously, where multilateral and bilateral agreements signed by Ecuador exist, extradition takes place, since the latter is generally prescribed for any offence for which the penalty is at least one year's imprisonment. Terrorism is punishable with higher penalties.

Subparagraph 3 (f):

Please describe the measures in place for the purpose of ensuring before granting refugee status that an asylum-seeker has not planned, facilitated or participated in the commission of terrorist acts.

The Ministry of Foreign Affairs has an office for liaison with the National Police, whose representative is a member of the Commission on the Status of Refugees and is thus able to keep abreast of each case as it arises.

The Ministry of Foreign Affairs, which presides over the Commission on the Status of Refugees, is in permanent contact with units of the National Police and armed forces, in order to determine the origin and background of asylum-seekers. This coordination facilitates the implementation of article 28 of Decree No. 3301, which states: "Refugees admitted to Ecuador undertake to respect the Constitution and laws of the Republic and not to interfere in political or other affairs that might undermine national security or the domestic or external interests of Ecuador".

Another control mechanism is the requirement that the visa for refugees must be renewed each year. This fact enables the Ministry of Foreign Affairs to withdraw the refugee status, if it considers that the grounds for such status no longer exist or it finds that the refugee is participating or has participated in irregular armed groups.

The National Immigration Office of the National Police, through its national divisions and subdivisions, keeps a record of persons who have been admitted to Ecuador as refugees in order to monitor these persons' activities at their place of residence in the country.

Registration and census-taking also provide a verification mechanism, pursuant to article 4, paragraph VI, of the Immigration Act. The census is conducted annually and verifies information on residence, activities, length of stay and movements within and outside Ecuador.

Subparagraph 3 (g):

Please clarify whether claims of political motivation are recognized as grounds for refusing requests for the extradition of alleged terrorists.

In that regard, article 5 of the Extradition Act establishes that "[E]xtradition shall not be granted in the following cases: ... (2) Those involving political offences. The following shall not be considered political offences: acts of terrorism, crimes against humanity as set forth in the Convention on the Prevention and Punishment of the Crime of Genocide, adopted by the United Nations General Assembly, or an attack on the life of a head of State or any member of his family. Nor shall ordinary offences, even when committed for political motives, be considered political offences".

Paragraph 4:

Has Ecuador addressed any of the concerns expressed in paragraph 4 of the resolution?

The military front has strengthened its presence, especially on the northern border, and the activities of the intelligence system have been assessed and

prioritized at the national, community and regional levels, depending on their field of competence and compliance with their constitutional mission.

The Superintendency of Banks and Insurance is currently developing and executing a programme to control money-laundering, which will enable it to supervise Ecuadorian financial institutions appropriately and efficiently in order to prevent the latter from being used or involved in operations with the proceeds of unlawful activities.

This programme is being implemented in stages. Initially, international consultants on the subject were hired; they issued their conclusions and recommendations, pointing out the need to elaborate and promote a specific bill to counteract money-laundering and combat the financing of terrorism.

The National Council on Narcotic Drugs and Psychotropic Substances (CONSEP) is in constant contact with those involved in preventing unlawful activities and plans to sign bilateral agreements for the purposes of international cooperation on the matter.

The Superintendency of Companies is working on boosting the strength of the following control mechanisms:

At the company level, it seeks to deepen economic and financial analyses, on the basis of the following criteria:

(a) Significant changes in current accounts;

(b) Increases and decreases in investments;

(c) Significant variations in accounts and notes receivable;

(d) Significant increases or decreases in inventories;

(e) Buying or selling of fixed assets for significant sums;

(f) Considerable increases in deferred or other assets;

(g) Large increases or decreases in accounts or notes receivable;

(h) Provision of capital from head offices or from abroad;

(i) Excessive investments in future capitalizations;

(j) Analysis of income;

(k) Analysis of expenditure;

(l) Origin and destination of funds;

(m) Transfer of stocks and shares.

With regard to the stock market, the Superintendency of Companies will reinforce controls by:

(a) Imposing fines, ordering the closing and liquidation of companies which have helped these groups;

(b) Verifying that companies under its supervision have no commercial ties with foreign firms that are assisting these groups; to this end it must work jointly with other government offices, which must provide the necessary data for the identification of foreign firms involved in these activities;

(c) Verifying that companies under the supervision of the Superintendency of Companies are not carrying out commercial operations directly or indirectly related to terrorism, and imposing the appropriate fines or closing down the operations of these companies;

(d) Verifying whether natural or legal persons that have been found to be protectors of terrorist activities have made investments in corporations in Ecuador, and ordering these companies to close down, after amending the Companies Act;

(e) Setting up a database of stock market investors, which would be connected to the principal government agencies and international organizations;

(f) Training its staff in the tracking of proceeds from drug trafficking or other unlawful activities as a source of financing for companies;

(g) Signing agreements on exchange of information with government agencies, such as the National Police, National Anti-Narcotics Office, Internal Revenue Service, Office of the State Comptroller, Civil Registry and others;

(h) Finding sources of financing for the incorporation of better technologies and training of personnel in the specific areas in which the institution is involved, in order to control, exhaustively and precisely, any resources that may be related to terrorist activities; this will make it possible to work together with international organizations to establish more precisely the destination and source of resources that circulate in this market;

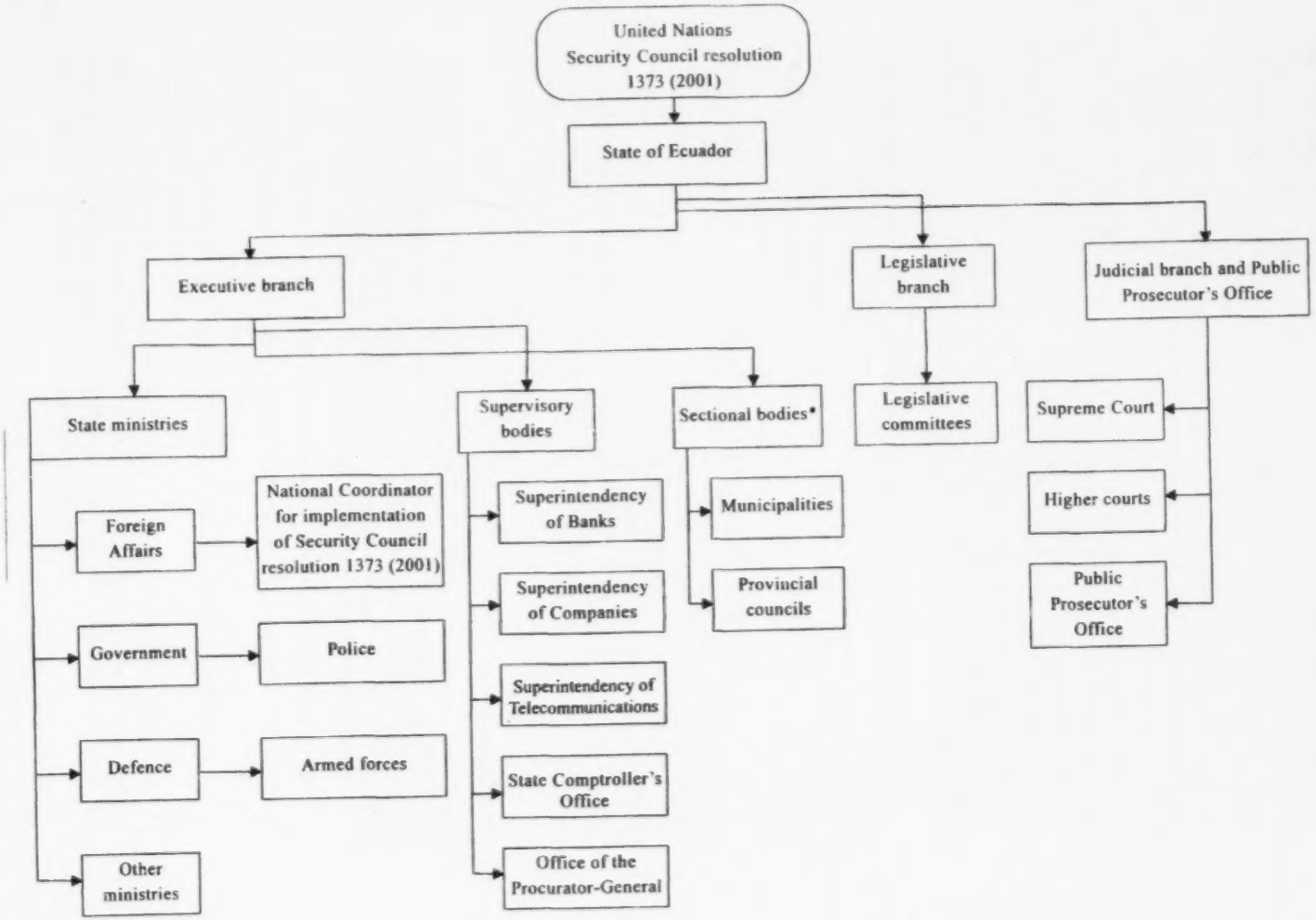
(i) Elaborating an amendment to the Regulations on Fiduciary Transactions, bearing in mind that resources may be channelled to terrorism through such transactions; this will allow the Superintendency of Companies to find out from the information provided by each trust fund what activities will be carried out with such transactions; under current regulations, this information is received only from those funds which, because of their characteristics, must register in the Stock Market Registry. This amendment will also satisfy some, if not all, of the concerns pointed out in part "A" of the Plan of Work of the Inter-American Committee against Terrorism (CICTE).

Other matters:

Could Ecuador please provide an organizational chart of its administrative machinery, such as police, immigration control, customs, taxation and financial supervision authorities, established to give practical effect to the laws, regulations and other documents that are seen as contributing to compliance with the resolution.

See the organizational chart on the next page and annex 2.

22 **Organizational chart of Ecuadorian machinery established to implement Security Council resolution 1373 (2001)**



* Related to NGO programmes.

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Security Council

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Letter dated 31 July 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 10 April 2002 (S/2002/405).

The Counter-Terrorism Committee has received the attached supplementary report from Kuwait, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

02-51989 (E) 090902 130902

Annex

Letter dated 17 July 2002 from the Permanent Representative of Kuwait to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

I have the pleasure to refer to your letter of 1 April 2002 and to forward herewith a report including the replies of the State of Kuwait to the inquiries submitted by the Committee on Counter-Terrorism established pursuant to Security Council resolution 1373 (2001) (see enclosure 1).

In addition, I am also enclosing a compilation of relevant provisions of legal enactment, bilateral and multilateral agreements of the State of Kuwait (see enclosure 2).

(*Signed*) Mohammad A. **Abulhasan**
Ambassador
Permanent Representative

Enclosure 1

[Original: Arabic]

Report containing the replies of the State of Kuwait to the questions asked by the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

In the first place, the State of Kuwait wishes to thank the Counter-Terrorism Committee for its painstaking and sustained efforts to follow up all the reports received from Member States.

The State of Kuwait reaffirms its unfailing cooperation with the United Nations through the Committee, and the necessity of providing the Committee with appropriate and complete replies to its questions, and has the honour to attach the following:

I. The replies of the State of Kuwait to the questions of the Counter-Terrorism Committee.

II. A list of the relevant bilateral and international conventions and of the laws and decrees of Kuwait in force.*

Replies of the State of Kuwait to the questions submitted by the Counter-Terrorism Committee

Paragraph 1 (a):

The Counter-Terrorism Committee requests information on how the supreme ministerial committee for the control of charitable work at home and abroad works with the subcommittee to ensure that funds received by associations are not diverted from their stated purposes, for example to terrorist activities.

In the framework of the reorganization of charitable work in the aftermath of the events of 11 September 2001 the Council of Ministers of Kuwait set up a ministerial committee chaired by the Deputy Prime Minister and Minister for Foreign Affairs to review and implement the recommendations and proposals made by the Council of Ministers. It also established the Supreme Committee for the control of charitable work, under the chairmanship of the Minister of Social Affairs and Labour, to act as a permanent authority for the control of charitable work and to perform the following functions:

1. To define systematic policies and regulations for the collection of donations.

2. To support the efforts of charitable institutions, raise their standard of performance and ensure financial control over their activities.

* The annexes are on file with the Secretariat and are available for consultation.

3. To provide coordination between governmental and popular institutions in order to ensure the effectiveness of charitable work and its contribution to social development.

In this connection, the Government has taken the following measures:

I. The Ministry of Information has terminated the information and advertising campaigns of public welfare associations and of committees involved in collecting donations from the public.

II. The Municipality of Kuwait prohibits the granting to any association or committee of a construction permit or of authorization to rent any building, real estate or premises in the State of Kuwait in connection with the collection of donations, other than with the prior approval of the Ministry of Social Affairs and Labour.

III. The Central Bank, with the prior approval of the Ministry of Social Affairs and Labour, notifies all local banks and currency exchange businesses that it is prohibited to open bank accounts in the name of associations or committees and to make any foreign transfers.

IV. The Ministry of Social Affairs and Labour, in cooperation with the Ministry of the Interior, removes and eliminates on a daily basis all means for the collection of contributions, of whatever kind, from all areas of Kuwait, whether money boxes, collection boxes or kiosks for the collection of contributions or clothing.

V. The Ministry of Social Affairs and Labour is inviting offers from worldwide accounting firms to oversee and audit the accounts of public welfare associations and their subsidiary charitable committees, and is preparing a public call for tender in order to select the accounting firms, on the basis of specific criteria as to their qualifications, to audit the accounts of the charitable associations.

VI. The Ministry of Social Affairs and Labour is preparing studies and qualitative investigations, supervising the charitable associations and institutions, and preparing the regulatory administrative structure prior to approaching the competent bodies for their endorsement.

VII. The internal rules for the organization and regulation of charitable work and the conduct of the related meetings have been prepared.

In view of the efforts being made by the international community to stop violations committed by non-banking institutions or informal banking networks that are not subject to the official supervisory arrangements, please indicate how enforcement procedures are applied under Kuwaiti legislation.

The legislation in force in the State of Kuwait does not allow any establishments to operate in Kuwait other than with the authorization of the Ministry of Trade and Industry. Authorization is not granted to any bank, investment company, currency exchange company or investment fund, other than with the approval of the Central Bank, and such entities are subject to its full control.

Under existing legislation, all the entities subject to the control of the Central Bank are legally obliged to implement and comply at all times with the directives received from the Bank. They are also obliged to comply with the relevant laws and decrees, including legislation and decrees related to combating money-laundering

operations and the funding of terrorism. Article 19 of law No. 35 of 2002 on combating money-laundering states that: "The Minister of Finance shall issue a decree on the measures and standards required to implement the provisions of this law". In addition, there is the draft ministerial decree concerning directives to be adopted to combat money-laundering operations which is due to be issued by the Ministry.

If any of the said entities infringes the directives issued to it by the Central Bank it is subject to the penalties set forth in law No. 32 of 1968 concerning money, the Central Bank of Kuwait and the regulation of the banking profession. Under the law, the penalties are graduated, on the basis of the gravity of the offences committed, on a scale beginning with an official warning to the offending entity, up to and including such entity's delisting and disbandment.

Paragraph 1 (b):

Apart from acts and activities causing terror or fear and sabotage committed against the regular authorities of the State, does the penal code criminalize the financing of terrorist acts as requested by this subparagraph? If so, what penalties apply?

The Penal Code of Kuwait indirectly criminalizes terrorist acts and curbs terrorism under the text of articles 48 and 52 of the Penal Code; although the text does not explicitly mention or identify "terrorist crimes", article 48 specifies:

> "The following shall be regarded as an accomplice in the crime before it is committed:
>
> 1. Any person who instigates the commission of an act constituting a crime ...
>
> 2. Any person who agrees with another to commit an act constituting a crime ...
>
> 3. Any person who, by any means whatever, knowingly assists the perpetrator in actions in preparation for a crime ..."

Similarly, paragraph 1 of article 52 of that law specifies that "any person who participates in a crime before it is committed shall be liable to punishment, except where the law prescribes otherwise".

Under these two texts, terrorist acts may be included among the crimes to which these punishments apply since such acts are considered to be one form of participation in the crime by instigating it, consenting to it or assisting in it.

Paragraph 1 (c):

The Counter-Terrorism Committee wishes to know whether there are or will be legal or regulatory provisions to authorize the confiscation of funds and assets in addition to those contained in the law to combat money-laundering operations.

The Government of Kuwait has agreed in principle to accede to the International Convention for the Suppression of the Financing of Terrorism which is currently under discussion in the Parliament of Kuwait. In the event of accession, the Convention will have the force of law and its provisions will become mandatory. It contains provisions concerning the freezing, seizure and confiscation of assets

used for the funding of terrorist acts. In addition, as law No. 35 of 2002 on combating money-laundering operations is the only law on this matter, it contains provisions relating to the confiscation and seizure of assets obtained through money-laundering operations.

With the exception of the law on combating money-laundering, the Penal Code of Kuwait (art. 66, para. 6) prescribes "confiscation as an incidental and supplementary penalty under the law".

Articles 77, 90, 91 and 92 of the law on criminal proceedings and trials authorize the seizure and retention of assets and items used in or obtained from criminal activities, on the basis of a decision of the examining magistrate at the initial stage of the investigation before the criminal charges are filed or before the accused are brought to trial.

Article 78 of the same law provides:

> "If the judge imposes a sentence in respect of a crime or premeditated misdemeanour, he may order the confiscation of the items seized if they were used, or might have been used, in the commission of the crime, and of any items obtained as a result of the crime, without prejudice to the bona fide rights of others with respect to such items.
>
> If the making, possession or handling of the items referred to in the preceding paragraph is in itself a crime, the judge may order their confiscation, even if other persons have bona fide rights with respect to them."

Paragraph 1 (d):

Please describe in more detail the administrative mechanism and the legal basis for the imposition of direct or indirect prohibitions on property, financial assets, economic resources or financial or other services.

In this instance, the administrative mechanisms are as follows: the Central Bank of Kuwait receives rulings from the competent bodies in the State, namely, the Office of the Prosecutor General, the judicial authorities and the Ministry of Foreign Affairs, to impose direct or indirect prohibitions on property, financial assets, economic resources or financial or other services affecting the entities subject to the control of the Central Bank of Kuwait. On receiving such a ruling, the Bank immediately circulates it to all the said entities for immediate action and thereafter informs the competent bodies concerned of the outcome of the measures it has taken.

Paragraph 2 (a):

Please specify which provisions of the Kuwaiti Penal Code apply to recruitment to terrorist groups and to the supply of weapons to terrorists, and outline them.

Although the provisions of penal legislation in Kuwait do not yet incorporate the term "counter-terrorism", the laws currently in force criminalize all acts coming under this head, including the recruitment of persons without authorization from the Government for any groups or other bodies and also the possession and use of weapons and explosives without authorization.

Article 4, paragraph 1, of law No. 31 of 1973 amending certain provisions of the Penal Code, provides that "any person who without authorization from the Government assembles an army or commits any other act of aggression against a foreign State such as may expose Kuwait to the risk of war or severance of diplomatic relations shall be punished by not less than three years' imprisonment".

Articles 1 to 5 of law No. 35 of 1985 on explosives offences lays down penalties ranging from fixed-term or life imprisonment to death for any person who commits any of the following crimes:

1. Use of or attempted use of explosives for the purpose of killing persons, creating panic or damaging buildings or utilities;

2. Use of or attempted use of explosives in such a manner as to endanger the lives of persons or their property;

3. Acquisition, possession, manufacture, procurement, importation, exportation, transportation of or trafficking in or any attempt at the aforementioned acts before obtaining authorization on the conditions laid down by the Minister of the Interior;

4. Training or inciting persons to manufacture or use explosives for the purpose of using such persons for the achievement of an unlawful end, or any attempt at such acts;

5. Failure to notify the competent authorities of knowledge of the existence of a plan to commit any of the offences set forth in the preceding clauses or knowledge of the occurrence thereof or assisting the offender to flee from justice by hiding him or by concealing or destroying evidence of the offence or concealing the objects used or prepared for use in commission of the offence or emanating from it.

Articles 20 and 21 of law No. 13 of 1991 on weapons and ammunition lays down penalties of imprisonment for a term not exceeding seven years or a term not exceeding five years with a fine for the commission of any of the following crimes:

1. Possession or acquisition of weapons and ammunition without authorization from the Minister of the Interior;

2. Possession or acquisition of guns, machine guns and silencers (absolutely and in all circumstances).

Under the provisions of these legislative texts and the provisions relating to complicity in a crime prior to its commission referred to above in our response concerning paragraph 1 (b), recruitment to terrorist groups and the provision of weapons, ammunition or explosives to terrorists are covered by Kuwaiti criminal law.

In addition, we would add that article 48 (3) of the Kuwaiti Penal Code provides that any person shall be regarded as an accomplice "who, by any means whatever, knowingly assists the perpetrator in actions in preparation for a crime and the crime occurs on the basis of such assistance".

Article 53 of the Code provides that "an accomplice in the crime before it is committed shall be liable to the penalty laid down for the crime, even if it is committed other than in the manner intended or if the crime committed is other than the one in which he intended to participate, where the manner of implementation or

the crime actually committed is a probable result of the acts of participation committed by him".

Please outline the measures, both legislative and practical, preventing entities and individuals from recruiting, collecting funds or soliciting other forms of support for terrorist activities to be carried out inside or outside Kuwait, including in particular:

- **The carrying out, within or from Kuwait, of recruiting, collecting funds and soliciting of other forms of support from other countries; and**
- **Deceptive activities such as recruitment based on a representation to the recruit that the purpose of the recruitment is one (e.g. teaching) different from the true purpose and collection of funds through front organizations.**

Following the events of 11 September 2001, the State of Kuwait has monitored and regulated the activities of charitable committees and bodies, their incoming and outgoing funds and the mode of their disbursement, subjecting them to prior authorization.

The method followed in Kuwait to combat secret recruitment or collection of funds is based on the activity of the State security investigation organs and the criminal investigation organs, in cooperation with intelligence organs inside and outside the country. The organs of the Ministry of the Interior carry out this work in accordance with the laws and regulations governing their activity.

Paragraph 2 (b):

What is the machinery for cooperation among the various State institutions for arriving at a unified approach to the implementation of decisions, particularly insofar as concerns interaction between the authorities responsible for the combating of narcotic drugs, the tracking of financial resources and security, including border control organs (paragraph 2 (g))?

The State institutions cooperate with each other in order to arrive at a unified approach in the implementation of decisions, each within its area of competence. Usually, joint commissions representing these institutions are established to consider a particular topic. With regard to narcotic drugs and the combating thereof, the Ministry of the Interior is the competent body, acting through its anti-drug agency. It also has border security and coastguard organs.

The Ministry of the Interior cooperates with the General Directorate of Customs, both through coordination between the two and by the holding of meetings at all levels, including the exchange of information and requests received from competent authorities or through organizations and the Regional Information Liaison Office.

Through this machinery, narcotic drugs are detected and confiscated, and drug offenders are turned over to the office of the Attorney-General.

There is also close cooperation with the Ministry of Health, consisting of assistance in extracting narcotic drugs from persons suspected of concealing them in their intestines and preparing the necessary official reports in preparation for referral of the suspects to the Ministry of the Interior.

There is also close cooperation with the Ministry of Trade and Industry through the referral to it of all precious metals for testing and clearance.

Monthly reports are prepared and sent to the Central Bank regarding all individuals or companies that import or export funds.

On the basis of the tracking of financial resources, immediately upon notification to the authorities concerned, it is up to the Ministry of the Interior's security agency and Interpol to determine whether any crime is involved.

The perpetrators of terrorist-related customs offences are tracked down inside Kuwait through cooperation between the Ministry of the Interior and the General Directorate of Customs. Such offenders who manage to leave the country before being apprehended are pursued through notification to the Ministry of the Interior. If a judicial decision has been handed down in respect of an offender, he is tracked down through coordination and cooperation between the executive organs of the Ministry of Justice, the office of the Attorney-General, Interpol and the General Directorate of Customs.

Please explain to which Arab or bilateral agreements on security matters the report refers, provide an outline of the agreements and describe how they are instrumental in setting up an early warning mechanism.

With regard to Arab or bilateral agreements on security matters, Kuwait has signed the Arab Convention on the Suppression of Terrorism and has concluded an agreement on security cooperation with the Republic of Hungary and signed a memorandum of understanding on cooperation in combating crime with the Islamic Republic of Iran. In addition, there are a number of draft agreements with a number of States which it plans to ratify.

On the question of how those agreements are instrumental in setting up an early-warning mechanism, the first two agreements mentioned above relate to the exchange of information on terrorist acts by means of rapid communications and hotlines and also through personal meetings between officials.

Paragraph 2 (c):

Please describe the procedure leading to a judicial or administrative decision calling for the expulsion of a person from Kuwait and outline in detail the Kuwaiti residence law 1959/17.

The procedure leading to a judicial or administrative decision calling for the expulsion of an alien from Kuwait may be followed if an alien commits a crime. Following his conviction, the judge may rule that the alien be deported from the country after serving the original sentence of imprisonment. Article 79, first and second paragraphs, of the Kuwaiti Penal Code (law No. 16 of 1960) provides:

> "Where a sentence of imprisonment is handed down against an alien, the judge may order his deportation from Kuwait when he has served his sentence, without prejudice to the right of the administrative authority to deport any alien in accordance with the law.
>
> "If an alien is the subject of a serious or custodial penalty in respect of a dishonourable crime or a crime against security, the judge shall deport him."

Under this provision, the procedure leading to a judicial decision for expulsion of a person from Kuwait depends on the handing down of a sentence of imprisonment against an alien. In such a case, the deportation order is mandatory where the penalty is serious (i.e. imprisonment for a term exceeding three years) and discretionary where the penalty is less serious (i.e. imprisonment for a term not exceeding three years).

In this connection, it should be mentioned that the penalty of deportation is a complementary penalty under article 66 of the above-mentioned code.

The administrative procedure for the expulsion of an alien is provided for in article 16 of law No. 17 of 1959 concerning residence of aliens in three cases:

1. Where an alien is sentenced and the court recommends a deportation order;

2. Where an alien has no apparent means of livelihood;

3. Where the Minister of the Interior considers that the deportation of an alien is required by the public interest, public security or morality.

This procedure is subject to the discretionary powers of the Minister of the Interior, as chief of police and public security, in accordance with law No. 17 of 1959 concerning residence of aliens and the laws amending it.

Paragraph 2 (d):

Are hostile acts against foreign States prohibited by article 4 of law No. 1970/71 even if there is no risk of war or severance of diplomatic relations?

Law No. 71 of 1970 amending the Penal Code contains, in article 4, a provision criminalizing any person who assembles an army or performs any other act of aggression against a foreign State that may expose Kuwait to the risk of war or severance of political relations. This law imposes a severe penalty that may extend to life imprisonment. It should be mentioned that this applies not only to terrorists in the sense of the question but also to any person who takes action against another State from inside the State of Kuwait.

Paragraph 2 (e):

Are the relevant provisions of the Penal Code of Kuwait applicable in all of the following circumstances:

- **Acts committed outside Kuwait by a person who is a citizen of, or habitually resident in, Kuwait (whether that person is currently present in Kuwait or not);**

- **Acts committed outside Kuwait by a foreign national who is currently in Kuwait?**

The Penal Code of Kuwait applies to criminal acts committed by a Kuwaiti citizen or an alien whether inside or outside Kuwait, in accordance with the general principles laid down in articles 11, 12 and 13 of the Penal Code.

Pursuant to these texts, the provisions in question differ from one case to another, as follows:

1. The Kuwaiti Penal Code applies in respect of all acts committed inside Kuwaiti territory, whether by a Kuwaiti or by an alien, in accordance with the principle of the territoriality of the Kuwaiti Penal Code, as laid down in article 11 thereof.

2. With regard to acts committed by a Kuwaiti citizen outside Kuwait, the Kuwaiti Penal Code applies on an exceptional basis, where a Kuwaiti citizen returns to Kuwait without having been acquitted by the foreign courts of the charge against him or without such courts having imposed on him a final sentence and such sentence having been served prior to his return, provided that the act in question is punishable under the provisions of Kuwaiti law and the law of the State in which the act was committed. This is in accordance with articles 12 and 13 of the Code.

3. Where acts that occur outside Kuwait are committed by an alien resident in Kuwait, the Kuwaiti Penal Code does not apply, in accordance with the principle of the territoriality of the law deriving from the above-mentioned provisions. However, in this case, the State of Kuwait is obliged to extradite the perpetrator of the crime to the State in which it occurred to be tried there, in accordance with judicial cooperation agreements or the principles of reciprocity applicable in this regard.

Paragraph 2 (f):

Please explain what is meant by (a) "the greatest possible assistance" and (b) assistance being permitted "to the extent permitted under national law". Does this mean that national law takes precedence over bilateral and multilateral agreements?

(a) The use of the term "the greatest possible assistance" means that, on the basis of its concern for the ties of cooperation, Kuwait performs its obligations under the agreements concluded between it and other States in accordance with the provisions thereof, having due regard to transparency in dealings, goodwill and the proper implementation of these agreements, in addition to providing other States with all the assistance it can in the field of information science and technology.

(b) Use of the phrase "to the extent permitted under national law" means that the signature of agreements on a specific topic is qualified by the fact that the State, before taking on any commitment, is already restricted by the provisions of the national Constitution and the laws and regulations, such as the budgetary allocations for such assistance, which must not be exceeded, and by the fact that the State must take legal and parliamentary measures before signing such agreements, while contravention of those laws, procedures and regulations would prejudice the legitimacy of such assistance and it would be called in question by the other authorities, either the legislative or the judicial.

Naturally, it should be stated here that national law carries considerable weight in the conclusion of bilateral and multilateral agreements.

(c) With regard to whether "national law takes precedence over" international agreements, the above-mentioned expression does not mean that national law takes precedence over international agreements but rather reflects the concern of the State, in undertaking obligations under bilateral and collective

agreements, to respect national laws, particularly with regard to assistance. After signature and commitment to be bound by the provision of these agreements, the agreements take priority with regard to application and, necessarily, become the equivalent of national law having binding force.

There is no impediment to their continued implementation unless the other party renounces its obligations thereunder, in which case the State may decide to apply the principle of reciprocity in the matter or, by a political decision or in accordance with its wish, take steps to withdraw from such agreement, on the basis of its provisions and the applicable provisions of international law.

With which countries has Kuwait concluded the agreements mentioned in the comment under this subparagraph?

Kuwait has concluded a general security agreement with the Republic of Hungary, some of the provisions of which relate to counter-terrorism. It has also signed a memorandum of understanding on the combating of crime with the Islamic Republic of Iran. Interest in similar arrangements has been expressed by Turkey, Russia, Senegal, Bulgaria and Malta, and consultations are under way. This is in addition to the Arab Convention on the Suppression of Terrorism.

Please provide a more detailed description of the procedure and mechanisms in place to assist other States.

Measures to assist other States consist of the exchange of information by means of rapid communications on actual or anticipated terrorist acts and the holding of direct meetings of counter-terrorism officials for the purpose of consultation.

Paragraph 2 (g):

Please describe in more detail how the procedures for the issuance of identity papers and travel documents help prevent the counterfeiting, forgery or fraudulent use of those documents and what measures exist to prevent their forgery, etc.

With regard to the question how the procedures followed in Kuwait help prevent the counterfeiting, forgery or fraudulent use of those documents, the issuance of travel documents is automated, and they bear serial and other numbers particular to each passport. They are special documents that are very difficult to forge. In the event of forgery (and it does sometimes occur), it is easily detected since the Passport Office of the Ministry of the Interior has a special investigation unit that is highly trained in such matters.

Paragraph 3 (a):

Please explain how the competent authorities work together in order to comply with this subparagraph.

The mode of cooperation followed by the competent authorities includes the accumulation and rapid transmission of information by the establishment of hotlines at the disposal of the competent authorities in Kuwait and the other country concerned. This cooperation is effected through communication between the security organs of the Ministry of the Interior and the authorities concerned or by means of diplomatic contacts through the organs of the Ministry of Foreign Affairs.

Neither the office of the Attorney-General or the judicial authorities are directly involved in these communications.

In addition to the exchange of information for the combating of terrorist acts, movements and networks, whether involving counterfeit documents, weapons trading, explosives or weapons of mass destruction, this cooperation includes:

(a) Electronic exchange of information with international counter-terrorism organizations;

(b) Ongoing cooperation with the General Directorate of Customs and the Ministry of the Interior;

(c) Establishment of an effective mechanism for the exchange of information to assist counter-terrorist personnel in the Ministry of the Interior, along the following lines:

Establishment of a specialized unit with a staff selected from individuals trained at the highest levels and having a communication link to all the official counter-terrorism authorities, namely the Customs investigation unit and the Rangers unit. All these units perform their functions with full powers to collect data, to detain and refer suspected persons to the security authorities, to analyse data and to carry out all procedures at all border posts. The Customs authority will shortly put into operation an electronic network using the latest electronic technology to link all border customs posts for the purpose of exchanging information between them and between them and the security authorities. New machines and methodologies characterized by the use of advanced risk-management procedures and technologies in their daily operations have been introduced following the events of 11 September 2001.

Please explain the meaning of "certain suspected persons" referred to in the report under this subparagraph.

This means persons in respect of whom there is serious or reasonable evidence, based on prior investigations or tracking, of behaviour patterns arousing suspicion of their involvement in terrorist acts, whose names are contained in lists of terrorists, of terrorist networks or of drug smugglers or whose connections are such that, on this basis, they are liable to arrest by the investigatory or judicial authorities.

In addition, this expression refers to persons entering the country by any illegal means, by other than authorized routes, on forged passports or without official identity documents, as well as persons entering the country or residing therein for no known specific reason or suspected of belonging to a dubious organization or group.

Paragraph 3, subparagraphs (b) and (c):

With which countries has Kuwait concluded the legal and judicial cooperation treaties and the bilateral treaties to which it refers in the comments on paragraph 3, subparagraphs (b) and (c)?

Please outline the provisions of these treaties.

Kuwait has concluded a cooperation treaty or bilateral security agreement with the Republic of Hungary on the combating of crime and has signed a memorandum of understanding on cooperation in the combating of crime with the Islamic

Republic of Iran. A number of agreements proposed by some other States, such as Turkey, Russia, Senegal, Bulgaria and Malta, are currently under consideration.

Paragraph 3 (e):

Have the crimes set forth in the relevant international instruments relating to terrorism been included as extraditable offences in the bilateral treaties which Kuwait has concluded with other countries as provided for in a number of these instruments?

The bilateral security treaties between the State of Kuwait and other States do not contain any provisions relating to deportation, but if the issue is extradition of suspects, that is left to the discretion of the Ministry of Justice as the competent authority with regard to all matters relating to extradition.

Paragraphs 3, subparagraphs (f) and (g):

Please provide comments on paragraph 3, subparagraphs (f) and (g). Please outline the procedures which are in place to prevent abuse of refugee status by terrorists.

The majority of persons coming to Kuwait are nationals of neighbouring States who have left those countries because of the poor living conditions there. They are deported to other countries on the basis of their wishes and in cooperation and coordination with the Office of the United Nations High Commissioner for Refugees, which in 1996 concluded a cooperation and headquarters agreement with Kuwait and which investigates refugee affairs and applications and determines what is appropriate in this regard.

Paragraph 4:

Has Kuwait addressed any of the concerns expressed in paragraph 4 of the resolution?

In the aftermath of the events of 11 September 2001, the Government of Kuwait has intensified control of the activities of popular and governmental charitable committees and associations and the monitoring of the ways in which contributions in cash and kind are disbursed. However, this topic and such issues or investigations have not arisen in Kuwait, and the office of the Attorney-General does not have any statements or information to offer on the subject.

Other matters

Would your Government please provide copies of the provisions of legislation, regulations and other documents currently in force that relate closely to compliance with paragraphs 1, 2 and 3 of the resolution?

With regard to other legislation and documents currently in force that relate to paragraphs 1, 2 and 3 of Security Council resolution 1373 (2001), we annex hereto a number of the relevant texts on counter-terrorism which are in force in the State of Kuwait and which have been mentioned on numerous occasions in the course of our response to the Committee's questions.

It should be mentioned in this connection that the Government of Kuwait has submitted a number of agreements on counter-terrorism to the National Assembly for approval of Kuwait's accession thereto. These are as follows:

(a) International Convention for the Suppression of the Financing of Terrorism;

(b) Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation;

(c) International Convention for the Suppression of Terrorist Bombings;

(d) Convention on the Physical Protection of Nuclear Material;

(e) Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf.

Could Kuwait please provide an organizational chart of its administrative machinery, such as police, immigration control, customs, taxation and financial supervision authorities, established to give practical effect to the laws, regulations and other documents that are seen as contributing to compliance with the resolution?

1. *The financial aspect*. With regard to the administrative machinery relating to the power of financial supervision, the Central Bank of Kuwait is the authority entrusted with oversight over all banks, investment companies, exchange brokerage companies and investment funds in Kuwait, and no entity of this kind may be established without application to and approval by the Central Bank of Kuwait and following a thorough study of the grounds for and the feasibility and appropriateness of granting such approval.

With regard to the relevant rules and legislation, the Central Bank has the right to issue such directives as it deems appropriate to all entities subject to its oversight, for the purpose of ascertaining the soundness of their financial offices and their compliance with all relevant laws, decisions and directives. These include all those relating to the combating of money-laundering and the financing of terrorism and take into account all aspects of banking and finance, as provided for by international agreements, standards and recommendations, in particular the recommendations issued by the Financial Action Task Force and those contained in the international agreements adopted by the United Nations.

The Central Bank plays an integral oversight role, at both the office and the field level, in investigating the extent which the entities under it are implementing the directives issued to them. This regime accords with the principles agreed upon by the Basel Committee and has been assessed by International Monetary Fund experts who have concluded that it meets international standards.

2. *The security aspect*. The Ministry of the Interior has an organizational plan that shows the names of its offices and their areas of competence, including the Immigration Office.

3. *The customs aspect*

(a) Any suspect persons are referred to the competent authority. For example, if a traveller is suspected of carrying narcotic drugs in his baggage, he is referred to the Ministry of Health in order to find out whether the suspicion is

founded or not. If the presence of narcotic drugs, stupefacients in pill form or other prohibited substances is revealed, an official report is drawn up and referred to the competent authority, namely the Ministry of the Interior, and the office of the Attorney-General is requested to bring public suit against the accused.

(b) In the event of arrest, suspects are referred to the Ministry of the Interior, and the office of the Attorney-General is requested to bring public suit against the accused, following the drawing up of the necessary official report.

(c) Nor should the role of the investigation and Ranger forces be overlooked in the uncovering of circumstantial evidence in difficult cases; this may result in arrests for crimes that the perpetrators have tried to conceal with careful plotting. Then there is also the role of the x-ray devices and police dogs used for this purpose in cooperation with the Ministry of the Interior.

4. *The commercial aspect.* With regard to the legislation in force in Kuwait concerning commercial activity and the regulation and monitoring thereof, we may cite by way of example law No. 15 of 1960 on commercial companies, law No. 36 of 1964 on the regulation of commercial agencies, law No. 8 of 2001 on the investment of foreign capital and, lastly, law No. 35 of 2002 on combating money-laundering and the funding of terrorism. The ministerial bill on directives to be followed for the combating of operations involving money-laundering and the funding of terrorism makes it mandatory for the companies and institutions governed by those laws to obtain a permit from the Ministry of Trade and Industry in accordance with legal and regulatory provisions before embarking on their activity. In addition, oversight bodies have been established in this area to ascertain the true nature of the activity of any institution or company and ensure the legitimacy of the activities undertaken by it. The powers of these oversight bodies ensure that they are able to obtain a knowledge of the financial assets of these companies or institutions, the movement of such assets and all related rights and the locations in which the companies or institutions carry on their activity.

The CTC would be grateful to receive further information on:

(a) Issues relating to the current status of laws and procedures in your country and other current information (as soon as possible);

(b) Issues relating to the outcome of international negotiations, parliamentary measures or similar matters.

As we have said above, the Government (Council of Ministers) has agreed in principle to accession to the following agreements:

(a) International Convention for the Suppression of the Financing of Terrorism;

(b) Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation;

(c) International Convention for the Suppression of Terrorist Bombings;

(d) Convention on the Physical Protection of Nuclear Material;

(e) Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms Located on the Continental Shelf.

These agreements are still before the National Assembly pending decision.

Law No. 35 of 2002 on the combating of money-laundering deals entirely with the ban on funds deriving from unlawful sources and their representation as funds arising from lawful activities.

Enclosure 2

Number	*Name of law, agreement, decision or regulation*
1	Law on residence of aliens
2	Law No. 11 of 1962 on passports, amended by law No. 22 of 1963 and law No. 15 of 1977
3	Law No. 16 of 1960 promulgating the Penal Code and law No. 31 of 1970 amending certain provisions of the Penal Code (law No. 16 of 1960)
4	Law No. 17 of 1960 promulgating the Code of Criminal Procedure
5	Law No. 35 of 1985 on explosives offences
6	Decree enacting law No. 13 of 1991 on weapons and ammunition
7	Law No.6 of 1994 on crimes relating to the safety of aircraft and aerial navigation
8	Law No. 32 of 1968 concerning money, the Central Bank of Kuwait and the banking profession
9	The Commercial Companies law (law No. 15 of 1960)
10	Law No. 36 of 1964 regulating commercial agencies and the implementing regulation appended thereto
11	Law No. 8 of 2001 on the investment of foreign capital
12	Law No. 35 of 2002 on the combating of money-laundering operations
13	Ministerial decision of 2002 on directives to be followed for the combating of money-laundering
14	Agreement between the State of Kuwait and the Arab Republic of Egypt on legal and judicial cooperation in civil, commercial and criminal matters and matters of personal status
15	Ordinance No. 25 of 1990 approving the Agreement between the State of Kuwait and the Arab Republic of Egypt on the transfer of persons sentenced to a custodial penalty
16	Arab Riyadh Agreement on Judicial Cooperation, 1995
17	Ordinance approving law No. 292 of 1998 approving the Agreement between the State of Kuwait and the Government of the Republic of Hungary on cooperation in combating organized crime
18	Memorandum of Understanding between the governments of the State of Kuwait and the Islamic Republic of Iran on cooperation in combating crime
19	Gulf Cooperation Council Convention on the enforcement of judgements, letters rogatory and judicial notices

Number	*Name of law, agreement, decision or regulation*
20	Agreement between the State of Kuwait and the Republic of Romania on judicial cooperation in civil, commercial, criminal and personal status matters
21	Law No. 7 of 1964 approving the Agreement between the State of Kuwait and the Lebanese Republic on judicial notices and letters rogatory
22	Agreement between the State of Kuwait and the Lebanese Republic on the enforcement of judgements
23	Ordinance approving law No. 19 of 1989 approving the Agreement between Kuwait and the People's Republic of Bulgaria on legal and judicial cooperation in civil and criminal matters
24	The Inter-Arab Convention on the Enforcement of Judgements
25	The Arab Convention on the Extradition of Offenders
26	Arab Convention on Judicial Notices and Letters Rogatory
27	Arab Convention on the Suppression of Terrorism
28	Cooperation Agreement between the Government of the State of Kuwait and the United Nations High Commissioner for Refugees

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Security Council

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Letter dated 31 July 2002 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 12 April 2002 (S/2002/463).

The Counter-Terrorism Committee has received the attached supplementary report from the Russian Federation, submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Security Council Committee established
pursuant to resolution 1373 (2001)
concerning counter-terrorism

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Annex

Letter dated 23 July 2002 from the Chargé d'affaires a.i. of the Permanent Mission of the Russian Federation to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

[Original: Russian]

I have the honour to transmit herewith additional information in response to your letter of 18 April 2002 regarding the report submitted by the Russian Federation to the Counter-Terrorism Committee pursuant to United Nations Security Council resolution 1373 (2001) (see enclosure).

(*Signed*) G. **Gatilov**
Permanent Representative a.i.

Enclosure

Additional information provided by the Russian Federation in response to the questions prepared by the Counter-Terrorism Committee of the Security Council on the report of the Russian Federation, pursuant to Security Council resolution 1373 (2001)

Subparagraph 1 (a)

– **Please outline the amendments and additions made to the Criminal Code of the Russian Federation with reference to the requirements of resolution 1373 (2001).**

Pursuant to subparagraph 1 (a) of the resolution, the State Duma of the Federal Assembly of the Russian Federation on 28 June 2002 adopted Federal Act No. 97528-3 "On the introduction of amendments and additions to the Criminal Code of the Russian Federation". This Act establishes increased liability for the recruitment and training of terrorists and the financing of terrorist activities and organizations.

Pursuant to the Criminal Code of the Russian Federation which is in force, persons who recruit, train or finance terrorists may be considered accessories to a criminal offence and prosecuted.

Inducing a person to commit a terrorist offence (by recruiting the person) constitutes incitement and the perpetrator is held liable under the relevant article of the special section of the Criminal Code and article 33, section 4, of the Code.

If a person has facilitated the commission of a terrorist offence by means of advice, directions, the provision of information (for example, has provided training material or recommendations on how to carry out a terrorist act, or has supplied the means to carry it out—money, valuables or other assets), that person may be considered an accomplice to the offence. The liability of such a person is stipulated in the relevant article of the special section of the Criminal Code and article 33, section 5, of the Code.

– **Please explain how the federal anti-terrorism laws are implemented by the various federal units of the Russian Federation and how coordination is achieved amongst the federal agencies and the agencies of the units on the one hand and amongst the agencies of the units on the other hand.**

Coordination of anti-terrorist activity amongst the federal agencies and the agencies of the units of the Russian Federation on the one hand and amongst the agencies of the units on the other is achieved in accordance with the law. The Federal Anti-Terrorist Commission is the federal coordinating body which ensures cooperation among the units working to combat terrorism named in article 6 of the Federal Act "On measures to combat terrorism" and contained in the list of federal executive authorities involved, within their sphere of competence, in preventing, detecting and suppressing terrorist activity (confirmed by Decision No. 660 of the Government of the Russian Federation of 22 June 1999).

Investigative jurisdiction and the procedure for coordination in the investigation of terrorist offences are governed by the Code of Criminal Procedure of the Russian Federation which came into force on 1 July 2002.

Subparagraph 1 (c)

– **Please explain whether the Russian Federation is able, under its current laws, to freeze funds, financial assets and economic resources of resident and non-resident persons and entities supporting terrorism either inside the Russian Federation or outside its territory.**

Under current Russian law, a decision to freeze (attach) the accounts of persons and organizations linked to terrorist activity may be taken when criminal or civil proceedings are instituted pursuant to the procedures provided for in the Code of Criminal Procedure of the Russian Federation, the Code of Civil Procedure of the Russian Soviet Federated Socialist Republic (RSFSR) and the Federal Act "On enforcement proceedings" (No. 119 of 21 July 1997).

Such a decision may be taken by: (a) investigative bodies for criminal cases being tried; (b) a court (commercial or ordinary) in the context of civil proceedings for the introduction of a civil suit; (c) investigative and judicial bodies when they are carrying out international investigative instructions (requests) in accordance with international agreements.

The legal mechanism for freezing funds which belong to citizens and which may be used to commit criminal offences, including terrorist offences, is laid down in articles 115 and 116 of the Code of Criminal Procedure of the Russian Federation, which entered into force on 1 July 2002.

These articles provide for the possibility of attaching the accounts of both individual citizens and organizations for criminal cases being tried which involve terrorism and other related offences. The purpose of attaching an account may be to halt illegal activity, introduce a suit or permit forfeiture of property on the basis of the results of a criminal investigation.

Similarly, the question of suits against citizens or organizations which are being heard by the courts is decided according to the procedure set out in the Code of Civil Procedure of the RSFSR and the Federal Act "On enforcement proceedings".

Additional possibilities for forfeiture of the property of organizations connected with terrorism are provided for in article 25 of the Federal Act "On measures to combat terrorism" (No. 130 of 25 June 1998). Pursuant to this article, an organization may, by a court decision, be recognized as a terrorist organization and liquidated. In this case, its property is liable to be forfeited and returned to the State.

Article 27 of Federal Act No. 395-1 of 2 December 1990 "On banks and banking activity" establishes the procedure for attachment of juridical persons' monetary assets on account with, deposited with or in the safekeeping of credit institutions. Attachment may be imposed by a court, a commercial court or a judge, or by a decision of the pre-trial investigative bodies with the approval of the public prosecutor. Monetary assets and other valuables may be forfeited on the basis of a court judgement which has become enforceable.

In respect of actions to freeze, attach or forfeit accounts, Russian law does not distinguish between citizens of the Russian Federation and foreign citizens who have committed criminal offences in the Russian Federation.

– **Please provide the CTC with a progress report on, and an outline of, the draft legislation mentioned in reply to this subparagraph.**

Draft Federal Act No. 152289-3 on the introduction of amendments and additions to the Federal Act "On measures to combat terrorism", initiated by members of the State Duma, is aimed at bringing current Russian law into line with the obligations which the Russian Federation has entered into by ratifying the International Convention for the Suppression of Terrorist Bombings (1997) and the International Convention for the Suppression of the Financing of Terrorism (1999) and covers, in particular, the issues of exchange of intelligence information, compensation for damage caused by terrorist acts, and additional measures to combat illegal trade in weapons, explosives and ammunition.

Subparagraph 1 (d)

– **Is there any law in the Russian Federation governing alternative money transfer mechanisms such as Hawalah?**

Russian law does not contain legal rules governing alternative money transfer mechanisms. It does not prohibit money transfers through the banking and credit system, payment unions (such as Western Union), or by post or telegraph or via the Internet. The laws and regulations existing in this field are, in particular, Federal Act No. 176 "On postal communications" of 17 July 1999 and Decision No. 725 of the Government of the Russian Federation "On confirmation of the rules for the provision of postal communication services" of 26 September 2000.

– **Could the Russian Federation please describe what preventive controls and surveillance measures are put in place to ensure that funds and economic resources collected for religious, charitable or cultural purposes are not diverted from their stated purposes?**

Under Russian law, the activity of organizations established for religious, charitable or cultural purposes is governed by the following laws and regulations: Federal Act No. 125 of 26 September 1997 "On freedom of conscience and religious associations"; Federal Act No. 135 of 11 August 1995 "On charitable activities and charitable organizations"; and Federal Act No. 82 of 19 May 1995 "On public associations".

In accordance with these Acts, registration bodies check to ensure that the activities of the organizations in question correspond to the purposes for which they were established and which are enshrined in their statutes. In addition, public and charitable organizations submit yearly activity reports to the registration bodies.

– **Are financial institutions in the Russian Federation under any obligations to report suspicious transactions?**

In accordance with Instruction No. 500 of the Central Bank of the Russian Federation of 12 February 1999, authorized banks are obliged, on the basis of an analysis of documents submitted by the client, to submit information to the Central Bank of the Russian Federation on currency operations carried out by the client on the basis of agreements which have any of the features listed in the Instruction, namely:

(a) An agreement (contract) which does not provide for the payment by non-resident contractors of fines for the non-observance of deadlines for payment or goods delivery and also does not provide for a way of ensuring that such contractors fulfil their obligations;

(b) An agreement (contract) which provides for the export by a resident of goods (work, services, results of intellectual activity) or payments for the import of goods (work, services, results of intellectual activity) to non-residents registered in States and territories which offer preferential tax treatment and/or which do not require the disclosure and supply of information pertaining to financial transactions (offshore zones), a list of which is contained in Annex 1 to the Instruction (Instruction No. 629 of the Central Bank of the Russian Federation, edition of 23 August 1999);

(c) An agreement (contract) which provides for an advance payment to a non-resident exceeding 30 per cent of the price of the imported goods (services, work, results of intellectual activity) or exceeding a sum equivalent to US$ 100,000;

(d) A credit agreement (loan agreement) which provides for the payment by a resident to a non-resident of interest and other additional amounts exceeding in total per year 20 per cent of the basic credit (loan) sum;

(e) An agreement (contract) under which a non-resident has not completely fulfilled his or her obligations and a prepayment (advance) already made by a resident has been reimbursed;

(f) The recipient of monetary assets or goods (work, services, results of intellectual activity) is a non-resident who is not a party under the agreement (contract) providing for the import (export) of goods (work, services, results of intellectual activity) by a resident;

(g) Agreements (contracts) concluded on behalf of a resident who is a juridical person and whose period of activity lasts no longer than three months from the time of State registration.

In addition, pursuant to the Federal Act "On the prevention of the legalization of funds obtained by criminal means (money-laundering)" (No. 115 of 7 August 2001), organizations which perform operations involving money or other assets are obliged to report suspicious transactions to the responsible organ (the Committee of the Russian Federation for Financial Monitoring).

– **Are financial intermediaries outside the main financial sector (e.g. lawyers) required to report suspicious transactions to the public authorities? If so, what penalties apply if such persons omit to report, either wilfully or by negligence?**

Federal Act No. 115 sets out a list of organizations carrying out monetary operations which are subject to financial monitoring. Such organizations include credit institutions; professional participants in the securities market; insurance and leasing companies; postal and telegraphic organizations and other non-credit institutions which carry out money transfers; and pawnshops. Lawyers and other financial intermediaries are not included on this list.

If organizations which perform operations involving money or other assets and which operate on the basis of a licence violate the requirements laid down in the aforementioned Act, their licences may be revoked (nullified) in accordance with the procedure stipulated by Russian law.

Persons guilty of violating the Act bear administrative, civil and criminal liability under Russian law.

Subparagraph 2 (a)

- **Please outline the relevant provisions of the Russian Federation's laws (including any recent amendments) and procedures for regulating the manufacture, sale, possession, storage and transport of weapons and explosives within the Russian Federation.**

The manufacture, sale, possession, storage and transport of weapons and explosives within the Russian Federation are governed by a number of laws and regulations, including Federal Act No. 150 of 13 October 1996 "On weapons", Federal Act No. 128 of 8 August 2001 "On the licensing of individual types of activity", Decision No. 814 of the Government of the Russian Federation of 21 July 1998 "On measures to regulate the circulation of civilian and service weapons and ammunition therefor in the territory of the Russian Federation", Decision No. 1314 of the Government of the Russian Federation of 15 October 1997 "On confirmation of the rules governing the circulation of offensive small arms and other weapons, ammunition and cartridges therefor, and steel weapons in State paramilitary organizations", the Instruction "On the licensing of activities relating to the storage, transport and destruction of chemical weapons and the handling of toxic chemicals and waste formed during the destruction of chemical weapons" (confirmed by Decision No. 199 of the Government of the Russian Federation of 19 March 2001) and Order No. 288 of the Ministry of Internal Affairs of the Russian Federation of 12 April 1999 "On measures to implement the Decision of the Government of the Russian Federation".

Under Russian law, tougher penalties have been introduced for offences of this kind and the number of provisions providing for criminal liability has increased.

For example, article 222, section 1, of the Criminal Code of the Russian Federation establishes criminal liability for the illegal acquisition, transfer, sale, storage, transport or carrying of firearms, basic parts thereof, ammunition, explosives or explosive devices.

Sections 2 and 3 set out the defining characteristics of a conspiracy and an organized group, increasing the liability for such activity.

Section 4 establishes liability for the illegal acquisition, sale or carrying of gas or steel weapons, including throwing weapons, except in those areas where the carrying of a steel weapon is part of national dress or is connected with hunting.

Article 223 of the Criminal Code establishes criminal liability for the illegal manufacture or repair of the aforementioned types of weapon.

In order to ensure public safety and, in addition, to protect human life, health and, where appropriate, property, article 224 of the Criminal Code establishes criminal liability, in the event of serious consequences, for negligent storage of a firearm; article 225 establishes criminal liability for inadequate fulfilment of obligations to guard a firearm, ammunition, explosives or explosive devices, in the event that this leads to their theft or destruction or other serious consequences (section 1), and also for inadequate fulfilment of obligations to guard nuclear, chemical, biological or other types of weapons of mass destruction, or materials or equipment which could be used to create weapons of mass destruction, in the event that this also causes serious consequences or threatens to cause them (section 2).

The theft or extortion of weapons, ammunition, explosives or explosive devices are also criminal offences (article 226 of the Criminal Code).

In cases where violations of the rules for handling weapons, ammunition, radioactive materials, explosives or other substances and objects create an increased risk to people in the vicinity and, through negligence, this causes serious or moderately serious damage to human health, the destruction of military equipment or other serious consequences, or loss of human life, the perpetrators bear criminal liability under article 349 of the Criminal Code. The rules defining increased risk to people in the vicinity are set out in military statutes, manuals, instructions and other regulatory acts.

Article 255 of the Criminal Code establishes liability for the manufacture, acquisition or sale of chemical, biological or other types of weapons of mass destruction prohibited by the international agreements of the Russian Federation.

With regard to the regulation of the circulation of explosives and pyrotechnic articles, in accordance with the decision of the Federal Anti-Terrorist Commission of 8 February 2002 (question 3, paragraph 2, of report No. 8), the Russian Ministry of Internal Affairs has prepared draft acts "On the circulation of explosives" and "On the circulation of pyrotechnic articles for civilian purposes" and has sent them to the relevant ministries and agencies for study and submission of comments and suggestions.

- **Please explain how international trade in weapons and explosives is regulated by the Russian Federation.**

Foreign trade in manufactured articles for military use, in particular weapons and explosives, is regulated by Federal Act No. 114 of 19 July 1998 "On military and technical cooperation between the Russian Federation and foreign States".

The principal means of State regulation and implementation of the State monopoly in the field of military and technical cooperation are:

- Licensing of the development and manufacture of articles for military use;
- Specification of the procedure for the import, export, sale and/or purchase of manufactured articles for military use;
- A procedure for the authorization of activity in the field of military and technical cooperation;
- Legal and organizational regulation of this activity;
- Operation of an export control system;
- Specification of the procedure for granting Russian organizations the right to engage in foreign trade activity relating to manufactured articles for military use;
- Licensing of the import and export of manufactured articles for military use;
- Not allowing any single entity to exercise a monopoly on military and technical cooperation in the Russian Federation;
- Customs regulation;
- Coordination by the State authorities of the Russian Federation of the activity of entities involved in military and technical cooperation and implementation of proper control of this activity.

The Committee of the Russian Federation for Military and Technical Cooperation with Foreign States was set up in accordance with the aforementioned Act for the purpose of improving the efficiency of military and technical cooperation on the basis of Decree No. 1953 of the President of the Russian Federation of 1 December 2000 on "Issues of military and technical cooperation between the Russian Federation and foreign States" and Decree No. 1417 of 10 December 2001 "On the introduction of amendments and additions to the provisions and procedure confirmed by Decree No. 1953 of the President of the Russian Federation of 1 December 2000 on "Issues of military and technical cooperation between the Russian Federation and foreign States." It is the federal executive authority which implements, within its sphere of competence, decisions of the President or Government of the Russian Federation relating to the regulation and control of activity in the field of military and technical cooperation between the Russian Federation and foreign States, and also implements international agreements of the Russian Federation in the field of military and technical cooperation.

These Decrees confirm the related Instructions "On the procedure for implementing military and technical cooperation between the Russian Federation and foreign States", "On the Committee of the Russian Federation for Military and Technical Cooperation", "On the Commission on Issues of Military and Technical Cooperation between the Russian Federation and Foreign States" and "On the procedure for granting organizations in the Russian Federation the right to engage in foreign trade activity relating to manufactured articles for military use". The Decrees also establish a list of documents to be submitted by an organization in the Russian Federation to the Russian Agency for the Defence Industry (through the proper channels) to enable the Agency to consider whether to grant the organization the right to engage in foreign trade activity relating to manufactured articles for military use; a procedure for applications by foreign clients and approval of draft decisions of the President or Government of the Russian Federation or the Committee of the Russian Federation for Military and Technical Cooperation with Foreign States on deliveries of manufactured articles for military use; a procedure for the licensing in the Russian Federation of the import and export of manufactured articles for military use (the import and export of such articles are subject to control and carried out under licence); and a list of federal executive authorities responsible for coordinating activity and exercising control in the field of military and technical cooperation between the Russian Federation and foreign States and for addressing other aspects of State regulation in this field.

The Ministry of Economic Development and Trade of the Russian Federation is responsible for the following functions (Order No. 127 of the Minister of 28 December 2000): organizing the export portion of a State defence order and fulfilling the international obligations of the Russian Federation regarding control of the export of manufactured articles for military use and dual-use goods and technology for the purpose of non-proliferation of weapons of mass destruction and missiles for delivering them.

Subparagraph 2 (d)

– **Are there any legal provisions that prohibit persons who are carrying on legitimate activities in the Russian Federation from offering support to terrorism elsewhere?**

The prohibition on the provision by physical and juridical persons of funds for the commission of terrorist acts is implemented through the establishment of criminal liability of physical persons for participation in offences of a terrorist nature (articles 33 and 34 of the Criminal Code of the Russian Federation) and liability in the form of liquidation of organizations which support terrorism, pursuant to the Federal Act "On measures to combat terrorism".

In June 2002, the State Duma of the Russian Federation adopted Federal Act No. 97528-3 "On the introduction of amendments and additions to legislation of the Russian Federation", which provided for the introduction of a number of additions to the Criminal Code of the Russian Federation, establishing increased liability for creation of terrorist organizations, management of such organizations, recruitment to terrorist groups, supply of weapons and training of persons to commit offences of a terrorist nature, as well as financing of terrorist organizations.

Under this Act, the mere fact of collecting funds for the commission of terrorist offences is sufficient grounds for establishment of criminal liability.

Decree No. 393 of the President of the Russian Federation of 17 April 2002 "On measures to implement United Nations Security Council resolutions 1388 (2002) of 15 January 2002 and 1390 (2002) of 16 January 2002" prohibits the supply, sale and transfer from the territory of the Russian Federation, or by its nationals outside its territory, to members of the al-Qa'idah organization and the Taliban movement and other persons, groups, companies and organizations connected with them, of manufactured articles for military use, dual-use goods and technology, spare parts, assembled units and auxiliary equipment for such articles and goods, and prohibits the provision of technical advice and assistance related to military activities in this field.

– **What is the mechanism available for inter-agency cooperation between the authorities responsible for narcotics control, financial tracking and border control?**

Decision No. 660 of the Government of the Russian Federation of 22 June 1999 confirmed the list of federal executive authorities involved, within their sphere of competence, in preventing, detecting and suppressing terrorist activity.

Pursuant to Federal Act No. 115 "On the prevention of the legalization of funds obtained by criminal means (money-laundering)" and Decree No. 1263 of the President of the Russian Federation of 1 November 2001 "On the organ empowered to prevent the legalization of funds obtained by criminal means (money-laundering)", the Committee of the Russian Federation for Financial Monitoring was set up and began to tackle the tasks assigned to it.

The list of federal executive authorities involved, within their sphere of competence, in implementing United Nations Security Council resolution 1373 (2001) (concerning financial tracking for the purpose of preventing the financing of terrorism) is set out in Decree No. 6 of the President of the Russian Federation of 10 January 2002 "On measures to implement United Nations Security Council resolution 1373 (2001) of 28 September 2001".

On 7 May 1998, the Centre for Inter-agency Cooperation for the Suppression of Illicit Drug Trafficking was set up in the Russian Ministry of Internal Affairs, and offices for inter-agency cooperation were established in Moscow, St. Petersburg, Bryansk, Krasnodar and Vladivostok, to which officials of the Ministry of Internal Affairs, the Federal Security Service, the Federal Border Service and the State Customs Committee of the Russian Federation were recruited on a permanent basis.

The Centre devotes particular attention to promoting the formation of an organizational basis for cooperation in the units of the Russian Federation, particularly in the border regions.

An increasing number of agencies are being included as subdepartments responsible for inter-agency cooperation to combat drug smuggling. In a number of regions, officials of the Federal Service of Tax Police of the Russian Federation are being recruited to the offices with the aim of undermining the economic base of transnational drug rings. In addition, the operational possibilities of military counter-intelligence are being used more and more actively in border regions.

The Ministry of Internal Affairs, the Federal Security Service, the Federal Border Service and the State Customs Committee of the Russian Federation have been considering the question of establishing temporary subdepartments for inter-agency cooperation on the suppression of illicit drug trafficking in the border units of the Russian Federation. To date, such subdepartments have been established in 66 regions of the Russian Federation.

Moreover, in recent years, one of the ways in which the law enforcement agencies of the Russian Federation have reacted to the change in operational conditions related to illicit trafficking in narcotic substances has been to organize and carry out inter-agency strategical-preventive operations under the code name "Channel". The main objectives of the operations are:

- Identification and blocking of the channels for smuggling drugs into the Russian Federation;
- Use and maintenance of a single databank on drug traffickers and dealers and efforts to catch them in flagrante delicto;
- Further improvement of the mechanism for cooperation between regional subdepartments of the Ministry of Internal Affairs, the State Customs Committee, the Federal Border Service and the Federal Security Service of the Russian Federation in the field and similar law enforcement agencies of neighbouring States which are taking part in a given operation.

This year, the Russian Ministry of Internal Affairs considered the issue of conducting a joint inter-agency "Channel" operation in the distant approaches to the Russian borders, in particular directly at the border between Tajikistan and Afghanistan.

Discussions are currently under way with representatives of the Ministry of Internal Affairs of Finland on the signing of a joint plan for a strategical-preventive "Channel" operation at the Russo-Finnish border, with a view to identifying and blocking the channels for the supply of narcotics from the States of Central Asia through the Russian Federation to the countries of Northern Europe.

In 2001 and 2002 alone, the Centre for Inter-agency Cooperation for the Suppression of Illicit Drug Trafficking prepared and conducted 20 inter-agency "Channel" operations.

The organization and practical measures taken made it possible to detect about 5,000 drug offences. Some 1,377 kg of narcotics were seized from illicit traffic, including more than 70 kg of heroin, along with property and smuggled goods worth 4.5 million roubles or 83,000 United States dollars.

Similar operational plans have been developed and confirmed with Azerbaijan and Estonia.

Cooperation between the Federal Border Service of the Russian Federation and other federal executive authorities on combating illicit drug trafficking and on border controls is conducted in accordance with the requirements of joint orders, regulations and instructions.

In action to combat drug smuggling, the Federal Border Service of the Russian Federation cooperates closely with the Chief Directorate for Combating Illicit Drug Trafficking of the Organized Crime Division of the Russian Ministry of Internal Affairs, the Chief Directorate for Combating Smuggling of the Russian State Customs Committee, and the relevant subdepartments of the Russian Federal Security Service.

At the inter-State level, information is exchanged by the Federal Border Service of the Russian Federation with neighbouring States on an ongoing basis in accordance with bilateral and multilateral agreements on cooperation regarding State border controls, for the purpose of preventing terrorist acts and combating illicit drug trafficking and other transnational offences at the stage of early warning. Regular official meetings of border service representatives are also used for the same purpose.

In Tajikistan, to combat illicit drug trafficking, a border group from the Russian Federal Border Service cooperates at various levels with subdepartments of the State Border Control Committee of the Government of the Republic of Tajikistan, the Drug Control Agency under the Office of the President, the Tajik Ministries of Internal Affairs and Security and the State Customs Committee of the Government of the Republic of Tajikistan.

Moreover, measures to strengthen action against drug smuggling are the constant central focus of the Council of Commanders of Border Troops of Member States of the Commonwealth of Independent States (CIS).

The Federal Border Service of the Russian Federation has established close cooperation with the United Nations Office for Drug Control and Crime Prevention (ODCCP) in the Russian Federation and Belarus.

In addition to its general border control tasks, the Federal Border Service of the Russian Federation, in order to prevent identified terrorists from entering the country:

- Exercises control in the case of persons who have been denied entry to the country under established laws of the Russian Federation;
- Carries out the instructions of the law enforcement agencies and the court bailiffs service with regard to persons whose entry into and departure from the Russian Federation are restricted in the manner established by law;
- Conducts checks of persons who are reasonably suspected of involvement in the activities of terrorist organizations;

– Questions aliens and stateless persons to determine whether the purpose for which they have crossed the State border corresponds to the purpose stated in their visas issued by missions of the Russian Ministry of Foreign Affairs in other countries.

Subparagraph 2 (e)

– **Please outline the provisions of the Criminal Code dealing with terrorism and terrorist acts and punishments for terrorist offences. Please explain what are "aggravating circumstances" for these purposes.**

The Criminal Code of the Russian Federation establishes the following offences as offences of a terrorist nature: terrorism (article 205), hostage-taking (article 206), hijacking of an aircraft, sea vessel or railway train (article 211), organization of an illegal armed unit or participation in such a unit (article 208), attempts on the life of a State or public figure (article 277) and attacks on persons or agencies enjoying international protection (article 360).

The offence established by article 205 of the Criminal Code covers: (a) the causing of an explosion or the commission of arson or other acts that endanger human life, cause significant material damage or other consequences constituting a danger to the public and (b) threats to commit these acts.

Such acts presuppose particular aims: to undermine public security, terrorize people or pressure the authorities to take decisions.

The punishment under article 205, section 1, of the Criminal Code is imprisonment for a period of 5 to 10 years.

Sections 2 and 3 of article 205 establish aggravating circumstances in cases of terrorism. These include: commission of an act by a group of persons acting in conspiracy; repeated commission of acts; or commission of an act with the use of a firearm (section 2). These acts are punishable by imprisonment for a period of 8 to 15 years.

Under section 3, terrorist acts committed by an organized group or causing serious consequences (including loss of human life through negligence), and also acts involving attacks on sites where atomic energy, nuclear material, radioactive substances or radiation sources are used, are punishable by imprisonment for a period of 10 to 20 years.

Article 206 of the Criminal Code establishes liability for the taking or detention of a hostage.

Such an act is committed with the aim of coercing a State, organization or citizen to take or refrain from taking an action as a condition for the release of the hostage.

Hostage-taking is punishable by imprisonment for a period of 5 to 10 years (article 206, section 1, of the Criminal Code).

Article 206 establishes the following as aggravating circumstances in the commission of an offence: commission of an offence by a group of persons acting in conspiracy; repeated commission of offences; the use of force endangering life and health; the use of a weapon or objects used as weapons; an offence committed in the knowledge that the hostage is a minor; an offence committed in the knowledge on the part of the offender that the hostage is a pregnant woman; an offence in which

two or more hostages are involved; or an offence committed for mercenary motives or reward. These acts are punishable by imprisonment for a period of 6 to 15 years (article 206, section 2, of the Criminal Code.

The following constitute especially aggravating circumstances in cases of hostage-taking: commission of an act by an organized group or causing loss of human life or other serious consequences through negligence. The punishment in such circumstances is imprisonment for a period of 8 to 20 years.

Article 208 of the Criminal Code establishes liability for the creation of an armed unit (association, detachment, militia unit or other group) for which there is no provision in federal law, and also for the leadership of such a unit (section 1). These acts are punishable by imprisonment for a period of two to seven years.

Section 2 of article 208 establishes participation in such a unit as a criminal offence and provides for punishment in the form of restriction of liberty for up to three years, detention for up to six months or imprisonment for up to five years.

Article 277 of the Criminal Code establishes liability for an attempt on the life of a State or public figure, if the act is committed with the aim of stopping that person's State or public activities or as revenge for such activities. It is punishable by imprisonment for a period of 12 to 20 years, the death penalty (currently not pronounced or applied by the courts) or life imprisonment.

Article 360 of the Criminal Code establishes criminal liability for an attack on a representative of a foreign State or an official of an international organization enjoying international protection, and also on the offices, living quarters or means of transport of persons enjoying international protection, if these acts are committed with the aim of provoking hostilities or international tension. These acts are punishable by imprisonment for a period of three to eight years.

- **Are all the relevant provisions of the Criminal Code of the Russian Federation applicable in all the following circumstances:**

- **Acts committed outside the Russian Federation by a person who is a citizen of, or habitually resident in, the Russian Federation (whether that person is currently present in the Russian Federation or not);**

- **Acts committed outside the Russian Federation by a foreign national who is currently in the Russian Federation?**

Article 12, section 1, of the Criminal Code establishes that citizens of the Russian Federation and stateless persons habitually resident in the Russian Federation who have committed offences outside the Russian Federation are liable to prosecution under the Criminal Code if the acts committed by them are offences in the State in whose territory they were committed and if the persons have not been convicted in the foreign State.

Foreign nationals and stateless persons not habitually resident in the Russian Federation who have committed an offence outside the Russian Federation are liable to prosecution under the Criminal Code of the Russian Federation if the offence is directed against the interests of the Russian Federation or if the case is covered by an international agreement of the Russian Federation, if the persons have not been convicted in the foreign State and are prosecuted in the Russian Federation (article 12, section 3, of the Criminal Code).

Subparagraph 2 (f)

– **Is there any law in the Russian Federation that allows mutual assistance in the matters of criminal investigation and judicial proceedings?**

International cooperation by the Russian Federation in the field of criminal justice currently takes place on a number of levels and in many areas. Relations between the Russian Federation and other States regarding the provision of mutual assistance in criminal matters are based on agreements (bilateral agreements or conventions) or conditions of reciprocity.

The principle of reciprocity implies that, if the Russian Federation submits a request for legal assistance to any State, the request will include an assurance that the Russian law enforcement agencies, in accordance with international principles of mutual legal assistance in criminal justice matters, are ready to assist the competent authorities of the requested State with their requests to obtain evidence and carry out other procedural acts in territories under the jurisdiction of the Russian Federation.

Bilateral treaty relations between the Russian Federation and other countries in this field are based on existing treaties on the provision of mutual legal assistance and relevant intergovernmental agreements. These include treaties with Algeria, Azerbaijan, Canada, China, Cuba, the Democratic People's Republic of Korea, Iran, Iraq, Kyrgyzstan, Mongolia, Tunisia, Viet Nam, Yemen and Yugoslavia, and the Agreement between the Government of the Russian Federation and the Government of the United States of America on cooperation in matters of criminal law.

The Russian Federation is also party to a number of multilateral treaties and conventions on combating crime and implementing criminal justice, including the European Convention on Extradition (1957), the European Convention on Mutual Assistance in Criminal Matters (1959) and the Convention on Legal Assistance and Legal Relations in Civil, Family and Criminal Matters (1993).

It should be noted that the Russian Federation has no special law governing the provision of mutual assistance in the matters of criminal investigation and judicial proceedings. The main provisions governing the procedure for cooperation between the courts, prosecutors, investigators and bodies which conduct initial inquiries on the one hand, and the relevant competent authorities and officials of foreign States and international organizations on the other, are laid down in chapter 53 of the Code of Criminal Procedure of the Russian Federation, which came into force on 1 July 2002.

Subparagraph 2 (g)

– **Please explain how persons found to possess counterfeit identity papers are dealt with in Russian law.**

This procedure is set out in the criminal procedure and administrative law of the Russian Federation and other regulatory acts establishing the competence of the authorities and officials empowered, in particular, to check such papers.

Forgery of identity papers or other official documents granting rights or relieving the holder of obligations, for the purpose of using or selling such a document, and also the production of such a document for the same purposes, are punishable by restriction of liberty for up to three years, detention for a period of four to six months or imprisonment for up to two years. If such acts are committed

repeatedly, they are punishable by imprisonment for up to four years. The wilful use of a false document is punishable by a fine equivalent to 100 to 200 times the minimum wage or equivalent to the salary or other income of the convicted person for a period of one to two months, or compulsory labour for a period of 180 to 240 hours, or detention for three to six months. The article in question is invoked by the bodies which conduct initial inquiries and falls within the competence of the public order militia.

Under the law of the Russian Federation, persons who, when crossing the State border of the Russian Federation, are found to be holding false papers or papers belonging to another person are liable to prosecution for illegally crossing the State border of the Russian Federation, and the false papers or papers belonging to another person are confiscated and kept as material evidence for a prosecution. This offence is established by article 322 of the Criminal Code of the Russian Federation; the penalties established for offenders are a fine or imprisonment for up to five years.

Cases arising under this article are investigated by the bodies of the Russian Federal Border Service which are responsible for initial inquiries.

While awaiting trial, offenders are held in short-term remand units of the Russian Federal Border Service and remand units of the Russian Federal Security Service.

Foreign nationals and stateless persons are expelled from the Russian Federation after serving their sentences, according to the procedure established by law.

Subparagraph 3 (d)

- **Please explain how the international conventions and protocols relating to terrorism which have been ratified by the Russian Federation are incorporated into its domestic laws.**

Article 15, paragraph 4, of the Constitution of the Russian Federation states that the commonly recognized principles and norms of international law and the international treaties of the Russian Federation shall be a component part of its legal system. If an international treaty of the Russian Federation establishes principles which differ from those stipulated in domestic law, the principles of the international treaty shall apply.

Domestic law is brought into line with the provisions of the international treaties of the Russian Federation through the drafting and adoption of appropriate federal laws.

Subparagraph 3 (e)

- **Please inform the CTC of the progress of the ratification process of the remaining two universal instruments on terrorism.**

On 14 June 2002, the State Duma adopted the Federal Act "On ratification of the International Convention for the Suppression of the Financing of Terrorism (1999)".

The preparation process for ratification of the Convention on the Marking of Plastic Explosives for the Purpose of Detection (1991), which has been signed by the Russian Federation, is at an advanced stage.

– **Are all the offences set forth in the relevant international conventions and protocols included as extraditable offences in the bilateral treaties to which the Russian Federation is party?**

The provisions of bilateral international treaties of the Russian Federation governing extradition issues do not contain any lists of extraditable criminal offences. As a rule, the parties recognize as extraditable offences those for which the established punishment is imprisonment for a period of at least one year or a more serious punishment. Under current Russian law, terrorist offences belong precisely to this category of offence.

Paragraph 4

– **Has the Russian Federation addressed any of the concerns expressed in paragraph 4 of the resolution?**

Given that the concerns under consideration are becoming increasingly pressing, a number of internal affairs bodies in the units of the Russian Federation have set up special offices and departments for the detection of terrorist acts. Such subdepartments are already operating in the Ministry of Internal Affairs of the Republic of Dagestan, the Stavropol territory and the Moscow region. In the remaining subdepartments there are sections, branches and groups whose official duties include the organization of work to detect offences connected with illicit arms trafficking and criminal explosions.

In order to focus information about persons and acts of a terrorist complexion, the Russian Ministry of Internal Affairs operates relevant databases. Similar databases are operated in the Ministries of Internal Affairs and local internal affairs offices of the units of the Russian Federation.

Joint conferences and working meetings have been held—involving the responsible officials of subdepartments of the Organized Crime Division of the Russian Ministry of Internal Affairs, the relevant internal affairs offices of the city of Moscow and the Moscow region, and the Moscow air and sea transport internal affairs office—on the subject of developing joint action to combat illicit trafficking in arms, ammunition, explosives and explosive devices, and to combat criminal explosions and terrorism. Representatives of the Federal Security Service, the State Customs Committee and the Federal Service of Tax Police of the Russian Federation were invited to these events.

In 2001, the centres for forensic expertise of the Russian Ministry of Internal Affairs and similar subdepartments of the internal affairs bodies of the units of the Russian Federation held courses and seminars for officials from criminal intelligence units, officials responsible for combating organized crime, transport police officers and forensic experts, on the subject of using the results of explosives tests in the detection and investigation of criminal explosions and terrorist acts.

Cooperation has been organized between criminal intelligence units and the subdepartments of the Russian Federal Security Service on matters relating to the detection, documenting and exposure of the criminal activities of groups and individual terrorists and the supposed channels for funds and supplies of weapons.

In collaboration with the National Central Bureau of the International Criminal Police Organization (Interpol), the Russian Ministry of Internal Affairs has checked a number of reports on groups of fighters from international terrorist organizations and channels for financial assistance and is collecting analytical information on radical Muslim organizations. Information on persons and organizations involved in terrorist activities is passed on to the relevant services.

The Russian Ministry of Internal Affairs has submitted proposals to the Office of the Procurator-General of the Russian Federation regarding consideration by the Council of Heads of Government of CIS Member States of the issue of setting up a single database on seized and confiscated weapons, ammunition and explosives, and the issue of inter-agency exchange of intelligence information on transnational groupings and illicit trafficking in armaments.

The criminal intelligence units of the Russian internal affairs bodies are working on an ongoing basis to obtain information on terrorist threats, including threats against foreign nationals, and on ethnic criminal groups and extremist elements which are planning to commit terrorist acts and obtain arms, ammunition, explosives and explosive devices.

On 28 September 2001, the Russian Ministry of Internal Affairs held a working meeting with the heads of criminal intelligence from the Ministries of Internal Affairs of Armenia, Azerbaijan, Belarus, Kyrgyzstan, Tajikistan, Ukraine and Uzbekistan, the Criminal Police Department of the Ministry of Internal Affairs of Kazakhstan and the Criminal Police Office of the Ministry of Internal Affairs of Moldova on the status of cooperation between the Ministries of Internal Affairs of the CIS Member States regarding the detection of especially serious offences, searches for criminals, information exchange, and measures to strengthen such cooperation.

Measures have recently been taken to revitalize special operations designed to seize arms, ammunition and explosives from illicit traffic and arrest persons who use them when committing offences.

In the field of criminal intelligence, three large-scale and 137 regional strategical-preventive "Arsenal" operations were organized and carried out in 1999-2001, resulting in the following seizures from illicit traffic: 20,501 firearms, including 2,313 with a rifled barrel, 1,787 grenades and mines, more than 364,000 cartridges of various calibres and more than two tonnes of explosives. Some 76 such operations were carried out in 2001 alone.

Measures have been taken to reinforce canine units. The number of specialist dog-handlers with sniffer dogs trained to detect explosives increased from 551 in 1999 to 937 in 2001. With their help, more than 1.6 tonnes of explosives and 495 explosive devices were detected and confiscated in 2001.

In conjunction with the subdepartments of the Russian Federal Security Service, command-post exercises, special tactical exercises and training are being carried out on cooperation between forces and the pooling of resources involved in operations to arrest armed criminals; free hostages from buildings, means of transport and aircraft; and repel attacks and prevent terrorist acts directed at strategically important sights. For example, in St. Petersburg in 2000, the subdepartments of the Russian Federal Security Service and the local internal affairs offices of the city of St. Petersburg and the Leningrad region conducted joint exercises on developing cooperation between security and internal affairs bodies

when offences of a terrorist nature, in particular hostage-taking, are committed. Similar command-post exercises took place in Karachaevo-Cherkessia in 2001.

One of the most important areas of action to combat terrorism — as is the case for any other type of offence, is the detection of terrorist acts committed and the investigation of and arrest of the perpetrators. The closest cooperation in this regard is that between the Federal Security Service and the Ministry of Internal Affairs of the Russian Federation.

In order to improve coordination and strengthen action against international terrorism, the Russian Federation, together with the other member States of the Shanghai Cooperation Organization, is playing an active role in the establishment of the Organization's regional anti-terrorist structure. In addition, the issues mentioned above are systematically discussed at meetings of the Russian Federation-Council of Europe expert working group, the Council of Europe Multidisciplinary Group on International Action against Terrorism and the Rome and Lyon groups of the Group of Eight (G-8), and at meetings with representatives of the Financial Action Task Force on Money Laundering (FATF).